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10 **UNITED STATES DISTRICT COURT**
11 **CENTRAL DISTRICT OF CALIFORNIA**

12 ANAND ROY, derivatively on behalf of
13 MATCH GROUP, INC.,

14 Plaintiff,

15 v.

16 BERNARD KIM, GARY SWIDLER,
17 STEPHEN BAILEY, MELISSA
18 BRENNER, SHARMISTHA DUBEY,
19 LAURA JONES, ANN L. MCDANIEL,
20 THOMAS J. MCINERNEY, WENDI
21 MURDOCH, SPENCER RASCOFF,
22 GLENN SCHIFFMAN, PAMELA S.
23 SEYMON, and ALAN G. SPOON,

24 Defendants,

25 and

26 MATCH GROUP, INC.,

27 Nominal Defendant.
28

Case No.:

DEMAND FOR JURY TRIAL

VERIFIED SHAREHOLDER
DERIVATIVE COMPLAINT

INTRODUCTION

Plaintiff Anand Roy (“Plaintiff”), by Plaintiff’s undersigned attorneys, derivatively and on behalf of nominal defendant Match Group, Inc. (“Match” or the “Company”), files this Verified Shareholder Derivative Complaint against defendants Bernard Kim (“Kim”), Gary Swidler (“Swidler”), Stephen Bailey (“Bailey”), Melissa Brenner (“Brenner”), Sharmistha Dubey (“Dubey”), Laura Jones (“Jones”), Ann L. McDaniel (“McDaniel”), Thomas J. McInerney (“McInerney”), Wendi Murdoch (“Murdoch”), Spencer Rascoff (“Rascoff”), Glenn Schiffman (“Schiffman”), Pamela S. Seymon (“Seymon”), and Alan G. Spoon (“Spoon”) (collectively, the “Individual Defendants,” and together with Match, “Defendants”) for breaches of their fiduciary duties as directors and/or officers of Match, unjust enrichment, abuse of control, gross mismanagement, waste of corporate assets, for violations of Sections 14(a), 10(b), and 20(a) of the Securities Exchange Act of 1934 (the “Exchange Act”), and against Defendants Kim and Swidler for contribution under Sections 10(b) and 21D of the Exchange Act. As for Plaintiff’s complaint against the Individual Defendants, Plaintiff alleges the following based upon personal knowledge as to Plaintiff and Plaintiff’s own acts, and information and belief as to all other matters, based upon, *inter alia*, the investigation conducted by and through Plaintiff’s attorneys, which included, among other things, a review of the Defendants’ public documents, conference calls and announcements made by Defendants, United States Securities and Exchange Commission (“SEC”) filings, wire and press releases published by and regarding Match, legal filings, news reports, securities analysts’ reports and advisories about the Company, and information readily obtainable on the Internet. Plaintiff believes that substantial evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

NATURE OF THE ACTION

1. This is a shareholder derivative action that seeks to remedy wrongdoing committed by the Individual Defendants from May 2, 2023 and November 7, 2024,

1 inclusive (the “Relevant Period”).

2 2. Match is an online dating services provider that connects people through its
3 brands such as Tinder, Match.com, OkCupid, and Hinge. Match derives most of its revenue
4 through subscription services, online advertising, and in-app purchases.

5 3. Match discloses its growth to investors in its SEC filings and other public
6 disclosures by highlighting its monthly active users (“MAU”) on each platform. The
7 Company utilizes MAU and the average revenue per user as the primary operating metrics
8 in evaluating the performance of a given platform.

9 4. The Relevant Period began on May 2, 2023 when the Company published a
10 shareholder letter announcing the Company’s financial results (the “Q1 2023 Shareholder
11 Letter”) for the first quarter of the fiscal year ended December 31, 2023 (the “2023 Fiscal
12 Year”) which discussed Tinder’s performance and its ability to bring back users who have
13 otherwise “lapsed,” stating:

14 While Tinder is an iconic brand used by many, our data shows that
15 approximately 40% of eligible singles age 18 to 34 in North America and
16 Europe are still not using Tinder, and an additional approximately 35% have
17 used Tinder previously, but not in the last year (“lapsed users”). This provides
18 ample opportunity for Tinder to bring both singles who have never tried the
19 app and lapsed users into the fold. ***Tinder has a strong history of reactivating
20 lapsed users, and the large pool of lapsed users provides significant
21 opportunity to increase reactivations. The way for Tinder to attract new and
22 lapsed users is to deliver exciting features and a product experience that
23 resonates. We’re confident that as Tinder does so, it can both return to
24 stronger new user growth and reactivate the large population of lapsed
25 users, which will ultimately drive revenue growth.***¹

26 5. However, throughout the Relevant Period, the Individual Defendants
27 consistently understated the hurdles encountered by Match regarding declining MAU on
28 the Tinder platform.

29 6. The truth began emerging on November 6, 2024 when Match published a
30 shareholder letter announcing the Company’s financial results (the “Q3 2024 Shareholder

31 ¹ Unless otherwise stated, all emphasis added.

1 Letter”) for the third quarter of the fiscal year ended December 31, 2024 (the “2024 Fiscal
2 Year”). The Q3 2024 Shareholder Letter revealed, *inter alia*, that “Tinder MAU was down
3 9% Y/Y in Q3, which was the same rate of decline as in Q2, falling short of our
4 expectations for continued improvement in Y/Y trends.”

5 7. The following day, on November 7, 2024, the truth fully emerged when
6 Investopedia published an article reporting that, in the third quarter of the 2024 Fiscal Year,
7 Tinder’s “monthly active users (MAU) declined 9% from the same time last year and its
8 revenue per payer (RPP) grew less than expected.”

9 8. On this news, the Company’s stock price fell \$6.77 per share, or 17.8%, from
10 a closing price of \$37.88 per share on November 6, 2024 to close at \$31.11 per share on
11 November 7, 2024.

12 9. During the Relevant Period, the Individual Defendants breached their
13 fiduciary duties by personally making and/or causing the Company to make to the investing
14 public a series of materially false and misleading statements regarding the Company’s
15 business, operations, and prospects. Specifically, the Individual Defendants willfully or
16 recklessly made and/or caused the Company to make false and misleading statements that
17 failed to disclose, *inter alia*, that: (1) the Company was facing greater challenges in
18 generating user growth for Tinder than was otherwise being represented; (2) because of
19 this, there was a significant risk that Tinder’s MAU would be unable to recover by the time
20 the Company had to report its financial results for the third quarter of the 2024 Fiscal Year;
21 (3) Tinder was facing additional issues regarding its average revenue per user; and (4) the
22 Individual Defendants were improperly interested in increasing their future compensation
23 by seeking shareholder approval of a new Stock and Annual Incentive Plan (the “2024
24 Stock Plan”). As a result of the foregoing, the Company’s public statements were
25 materially false and misleading and/or lacked a reasonable basis at all relevant times.

26 10. The Individual Defendants failed to correct and/or caused the Company to fail
27 to correct these false and misleading statements and omissions of material fact, rendering
28

1 them personally liable to the Company for breaching their fiduciary duties.

2 11. In addition, during the Relevant Period, the Individual Defendants breached
3 their fiduciary duties by causing Match to repurchase its own stock at prices that were
4 artificially inflated due to the foregoing misrepresentations. Indeed, between May 2023
5 and September 2024, approximately 18.7 million shares of Match common stock were
6 repurchased at artificially inflated prices, costing the Company approximately \$723
7 million. As the Company's stock was actually worth only \$31.11 per share, the price at
8 which it was trading when markets closed on November 7, 2024, the Company overpaid
9 for repurchases of its own stock by approximately \$140 million in total.

10 12. Additionally, in breach of their fiduciary duties, the Individual Defendants
11 willfully or recklessly caused the Company to fail to maintain adequate internal controls
12 while one of the Individual Defendants engaged in improper insider sales, netting total
13 proceeds of *approximately \$400,255*.

14 13. The Company has been substantially damaged as a result of the Individual
15 Defendants' knowing or highly reckless breaches of fiduciary duty and other misconduct.

16 14. In light of the Individual Defendants' misconduct—which has subjected the
17 Company, its Chief Executive Officer ("CEO"), and its President/Chief Financial Officer
18 ("CFO") to a federal securities fraud class action lawsuit pending in the United States
19 District Court for the Central District of California (the "Securities Class Action"), and
20 which has further subjected the Company to the need to undertake internal investigations,
21 the need to implement adequate internal controls, losses from the waste of corporate assets,
22 and losses due to the unjust enrichment of the Individual Defendants who were improperly
23 overcompensated by the Company and/or who benefitted from the wrongdoing alleged
24 herein—the Company will have to expend many millions of dollars.

25 15. The Company has been substantially damaged as a result of the Individual
26 Defendants' knowing or highly reckless breaches of fiduciary duty and other misconduct.

27 16. In light of the breaches of fiduciary duty engaged in by the Individual
28

1 Defendants, most of whom are the Company's current directors, of the collective
2 engagement in fraud and misconduct by the Company's directors, of the substantial
3 likelihood of the directors' liability in this derivative action and of Defendant Kim's and
4 Defendant Swidler's liability in the Securities Class Action, and of their not being
5 disinterested and/or independent directors, a majority of the Company's Board of Directors
6 (the "Board") cannot consider a demand to commence litigation against themselves on
7 behalf of the Company with the requisite level of disinterestedness and independence.

8 **JURISDICTION AND VENUE**

9 17. This Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1331
10 because Plaintiff's claims raise a federal question under Section 14(a) of the Exchange Act,
11 15 U.S.C. § 78n(a)(1), Rule 14a-9 of the Exchange Act, 17 C.F.R. § 240.14a-9, Sections
12 10(b) and 20(a) of the Exchange Act (15 U.S.C. §§ 78j(b), 78t(a) and 78t-1), and SEC Rule
13 10b-5 (17 C.F.R. § 240.10b-5) promulgated thereunder, and Section 21D of the Exchange
14 Act (15 U.S.C. § 78u-4(f)). Plaintiff's claims also raise a federal question pertaining to the
15 claims made in the Securities Class Action based on violations of the Exchange Act.

16 18. This Court has supplemental jurisdiction over Plaintiff's state law claims
17 pursuant to 28 U.S.C. § 1367(a).

18 19. This derivative action is not a collusive action to confer jurisdiction on a court
19 of the United States that it would not otherwise have.

20 20. Venue is proper in this District pursuant to 28 U.S.C. §§ 1391 and 1401
21 because a substantial portion of the transactions and wrongs complained of herein occurred
22 in this District, one or more of the Defendants either resides or maintains executive offices
23 in this District, Defendants have conducted business in this District, Defendants' actions
24 have had an effect in this District, and Match is headquartered in this District.

25 **PARTIES**

26 **Plaintiff**

27 21. Plaintiff is a current shareholder of Match. Plaintiff has continuously held
28

1 Match common stock at all relevant times.

2 **Nominal Defendant Match**

3 22. Match is a Delaware corporation with principal executive offices at 8750
4 North Central Expressway, Suite 1400, Dallas, Texas, 75231. Match's common stock
5 trades on the Nasdaq Globa Market ("NASDAQ") under the ticker symbol "MTCH."

6 **Defendant Kim**

7 23. Defendant Kim has served as Match's CEO and as a Company director since
8 May 2022. According to the Schedule 14A the Company filed with the SEC on April 29,
9 2024 (the "2024 Proxy Statement"), as of April 22, 2024, Defendant Kim beneficially
10 owned 119,564 shares of the Company's common stock. Given that the price per share of
11 the Company's common stock at the close of trading on April 22, 2024 was \$31.96,
12 Defendant Kim owned approximately \$3.8 million worth of Match stock as of that date.

13 24. For the 2023 Fiscal Year, Defendant Kim received \$16,080,272 in total
14 compensation from the Company. This included \$1,000,000 in salary, \$1,860,000 in bonus,
15 \$13,210,272 in stock awards, and \$10,000 in all other compensation.

16 25. The 2024 Proxy Statement stated the following about Defendant Kim:

17 *Bernard Kim*, age 47, has served as Chief Executive Officer and a director of
18 Match Group since May 2022. Prior to that time, Mr. Kim served as President
19 of Publishing of Zynga Inc., a mobile video game developer, from June 2016
20 until May 2022, where he oversaw various functions including global
21 marketing, user acquisition, revenue, communications, consumer insights,
22 data science, product management, and mergers and acquisitions. Prior to
23 joining Zynga, Mr. Kim spent nearly 10 years at Electronic Arts Inc. ("EA")
24 as the company's Senior Vice President of Mobile Publishing. In that role, he
25 oversaw EA's mobile distribution, strategy, product management, analytics,
26 network engagement, marketing, revenue demand planning, business
27 development, third-party publishing, and mergers and acquisitions. Before
28 joining EA, Mr. Kim served as Director of Sales and Channel Strategy at The
Walt Disney Company, where he led sales and retail for Disney Mobile. Mr.
Kim has served on the board of directors of Five Below, Inc. since June 2022.
Mr. Kim holds an undergraduate degree in both economics and
communications from Boston College. In determining that Mr. Kim should
serve as a director, the Nominating Committee and the Board considered his

1 position as Chief Executive Officer of the Company as well as his
2 considerable experience managing operations and strategic planning in the
3 mobile application and interactive entertainment industry.

4 **Defendant Swidler**

5 26. Defendant Swidler has served as the Company's President and CFO since
6 January 2023. Defendant Swidler previously served as the Company's CFO from
7 September 2015 until March 2020, and then as the Company's Chief Operating Officer
8 and CFO from March 2020 to January 2023. Defendant Swidler will transition out of his
9 CFO role on March 1, 2025. According to the 2024 Proxy Statement, as of April 22, 2024,
10 Defendant Swidler beneficially owned 469,441 shares of the Company's common stock.
11 Given that the price per share of the Company's common stock at the close of trading on
12 April 22, 2024 was \$31.96, Defendant Swidler owned approximately \$15 million worth of
13 Match stock as of that date.

14 27. For the 2023 Fiscal Year, Defendant Swidler received \$12,993,695 in total
15 compensation from the Company. This included \$675,000 in salary, \$1,255,500 in bonus,
16 \$11,053,195 in stock awards, and \$10,000 in all other compensation.

17 28. The 2024 Proxy Statement stated the following about Defendant Swidler:

18 *Gary Swidler*, age 53, has served as President and Chief Financial Officer of
19 Match Group since January 2023. Prior to that time, Mr. Swidler served as
20 Match Group's Chief Operating Officer and Chief Financial Officer from
21 March 2020; and prior to that, he served as Chief Financial Officer of Match
22 Group from September 2015. Prior to joining Match Group, Mr. Swidler was
23 a Managing Director and Head of the Financial Institutions Investment
24 Banking Group at Bank of America Merrill Lynch ("Merrill Lynch") from
25 April 2014 to August 2015. Prior to that, Mr. Swidler held a variety of
26 positions at Merrill Lynch and its predecessors since 1997, most recently as
27 Managing Director and Head of Specialty Finance from April 2009 to April
28 2014. Prior to joining Merrill Lynch, Mr. Swidler was an associate at the law
firm of Wachtell, Lipton, Rosen & Katz. Mr. Swidler has served on the board
of directors of DoubleVerify Holdings, Inc. since February 2024. Mr. Swidler
has a BSE from the Wharton School at the University of Pennsylvania and a
JD from New York University School of Law.

Defendant Bailey

1 29. Defendant Bailey has served as a Company director since June 2020. He also
2 serves as a member of the Audit Committee. On March 1, 2025, Defendant Bailey is set to
3 take over as CFO of the Company. According to the 2024 Proxy Statement, as of April 22,
4 2024, Defendant Bailey beneficially owned 7,111 shares of the Company's common stock.
5 Given that the price per share of the Company's common stock at the close of trading on
6 April 22, 2024 was \$31.96, Defendant Bailey owned approximately \$227,268 worth of
7 Match stock as of that date.

8 30. For the 2023 Fiscal Year, Defendant Bailey received \$309,973 in total
9 compensation from the Company. This included \$60,000 in fees paid in cash and \$249,973
10 in stock awards.

11 31. The 2024 Proxy Statement stated the following about Defendant Bailey:

12 *Stephen Bailey*, age 44, has been a director of Match Group since June 2020.
13 Mr. Bailey has served as Founder and Chief Executive Officer of ExecOnline,
14 Inc., a leading provider of B2B leadership development solutions, since 2011.
15 Prior to that he served as Chief Executive Officer and Chief Product Officer
16 of Frontier Strategy Group, LLC, a software and information services
17 business, from January 2006 to May 2011. Before joining Frontier Strategy
18 Group, Mr. Bailey was an associate in the venture capital and private equity
19 group of WilmerHale. Mr. Bailey has served on the board of directors of
20 Ibotta, Inc. since February 2024. In determining that Mr. Bailey should serve
21 as a director, the Nominating Committee and the Board considered his
22 extensive executive management experience, which the Nominating
23 Committee and the Board believe gives him insight into business strategy,
24 leadership and marketing.

25 **Defendant Brenner**

26 32. Defendant Brenner has served as a Company director since June 2020. She
27 also serves as a member of the Compensation and Human Resources Committee
28 ("Compensation Committee"). According to the 2024 Proxy Statement, as of April 22,
2024, Defendant Brenner beneficially owned 7,111 shares of the Company's common
stock. Given that the price per share of the Company's common stock at the close of trading

1 on April 22, 2024 was \$31.96, Defendant Brenner owned approximately \$227,268 worth
2 of Match stock as of that date.

3 33. For the 2023 Fiscal Year, Defendant Brenner received \$304,973 in total
4 compensation from the Company. This included \$55,000 in fees paid in cash and \$249,973
5 in stock awards.

6 34. The 2024 Proxy Statement stated the following about Defendant Brenner:

7 *Melissa Brenner*, age 49, has been a director of Match Group since June
8 2020. Since January 2018, Ms. Brenner has served as Executive Vice
9 President, Digital Media for the National Basketball Association ("NBA"),
10 where she leads the development, oversight and implementation of the
11 NBA's global digital strategy and emerging technology initiatives. Ms.
12 Brenner led the NBA's social media portfolio as the league became one of
13 the largest social media communities in the world. In addition, Ms.
14 Brenner has led the digital products team on the execution of the NBA app
15 and website. Ms. Brenner has held positions of increasing responsibility
16 with the NBA since 1997, including Senior Vice President, Digital Media
17 from February 2014 to December 2017, Senior Vice President, Marketing
18 from February 2013 to January 2014, and Vice President, Marketing from
19 October 2007 to January 2013. In determining that Ms. Brenner should
20 serve as a director, the Nominating Committee and the Board considered
21 her extensive marketing and executive management expertise as well as
22 her experience in social media and digital products.

23 **Defendant Dubey**

24 35. Defendant Dubey has served as a Company director since September 2019.
25 According to the 2024 Proxy Statement, as of April 22, 2024, Defendant Dubey
26 beneficially owned 390,264 shares of the Company's common stock. Given that the price
27 per share of the Company's common stock at the close of trading on April 22, 2024 was
28 \$31.96, Defendant Dubey owned approximately \$12.5 million worth of Match stock as of
that date.

36. For the 2023 Fiscal Year, Defendant Dubey received \$299,973 in total
compensation from the Company. This included \$50,000 in fees paid in cash and \$249,973
in stock awards.

37. The 2024 Proxy Statement stated the following about Defendant Dubey:

Sharmistha Dubey, age 53, has been a director of Match Group since September 2019. Ms. Dubey has served as an Operating Partner of Advent International, a global private equity investing firm, since October 2022. Prior to that time, Ms. Dubey served as Chief Executive Officer of Match Group from March 2020 to May 2022. Prior to that, Ms. Dubey served as President of Match Group from January 2018, as Chief Operating Officer of Tinder from February 2017 to January 2018 and as President of Match Group Americas, where she oversaw the product and business operations for North American dating properties, including the Match U.S. brand, Plenty Of Fish, OkCupid and Match Affinity Brands, from December 2015 to January 2018. Prior to that, she served in multiple roles within the Company: Chief Product Officer of The Princeton Review and Tutor.com from July 2014 to December 2015; Executive Vice President of Tutor.com from April 2013 to July 2014; Chief Product Officer of Match.com from January 2013 through April 2013 and Senior Vice President, Match.com and Chemistry.com from September 2008 through December 2012. Ms. Dubey has served on the boards of directors of Fortive Corporation since August 2020, Naspers Limited since April 2022 and Prosus N.V. since August 2022. She holds an undergraduate degree in engineering from the Indian Institute of Technology and a master's in engineering from Ohio State University. In determining that Ms. Dubey should serve as a director, the Nominating Committee and the Board considered her past position as Chief Executive Officer of the Company as well as her considerable experience managing operations and strategic planning, including in her prior roles within the Company.

Defendant Jones

38. Defendant Jones has served as a Company director since March 2024.

39. The 2024 Proxy Statement stated the following about Defendant Jones:

Laura Jones, age 42, has been a director of Match Group since March 2024. Ms. Jones has served as Chief Marketing Officer of Instacart, a grocery delivery and pickup service, since July 2022. Prior to that time, Ms. Jones served as Head of Marketing and VP, Brand & Marketing of Instacart from June 2021 to July 2022. Prior to joining Instacart, Ms. Jones served in multiple positions of increasing responsibility with Uber, a multinational transportation company, including leading global marketing for Rides from 2019 to 2021 and various senior marketing roles from 2015 to 2018. At Uber, Ms. Jones built the global product marketing team from

the ground up, spanning the entire product portfolio (Rides, Eats, Freight, etc). Prior to Uber, Ms. Jones served in various senior marketing positions at Google and Visa. Ms. Jones graduated from Dartmouth College with a Bachelor's degree in Economics and Government and received her Masters in Business Administration from Stanford University. In determining that Ms. Jones should serve as a director, the Nominating Committee and the Board considered her significant expertise in marketing and the consumer internet industry as well as her experience with brand refreshes.

Defendant McDaniel

40. Defendant McDaniel has served as a Company director since December 2015. She also serves as the Chair of the Compensation Committee, and as a member of the Nominating and Corporate Governance Committee. According to the 2024 Proxy Statement, as of April 22, 2024, Defendant McDaniel beneficially owned 13,101 shares of the Company's common stock. Given that the price per share of the Company's common stock at the close of trading on April 22, 2024 was \$31.96, Defendant McDaniel owned approximately \$418,708 worth of Match stock as of that date.

41. For the 2023 Fiscal Year, Defendant McDaniel received \$329,973 in total compensation from the Company. This included \$80,000 in fees paid in cash and \$249,973 in stock awards.

42. During the Relevant Period, while the Company's stock price was artificially inflated and before the scheme was exposed, Defendant McDaniel made the following sales of Company common stock:

Date	Number of Shares	Avg. Price/Share (\$)	Proceeds (\$)
August 9, 2023	8,735	\$45.82	\$400,255

Thus, in total, before the fraud was exposed, Defendant McDaniel sold 8,735 shares of Company stock on inside information, for which she received approximately \$400,255 in total proceeds. Her insider sale, made with knowledge of material nonpublic information before the material misstatements and omissions were exposed, demonstrate her motive in

1 facilitating and participating in the scheme.

2 43. The 2024 Proxy Statement stated the following about Defendant McDaniel:

3 *Ann L. McDaniel*, age 68, has been a director of Match Group since
4 December 2015. Ms. McDaniel currently serves as a consultant to Graham
5 Holdings Company and previously served as Senior Vice President of
6 Graham Holdings Company (and its predecessor companies) from June
7 2008 to April 2015. Prior to that time, Ms. McDaniel served as Vice
8 President-Human Resources of Graham Holdings Company from
9 September 2001. Ms. McDaniel also served as Managing Director of
10 Newsweek, Inc., a Graham Holdings Company property, from January
11 2008 until its sale in September 2010, and prior to that time, held various
12 editorial positions at Newsweek. In determining that Ms. McDaniel should
13 serve as a director, the Nominating Committee and the Board considered
14 her extensive human resources experience, which the Nominating
15 Committee and the Board believe give her particular insight into personnel
16 and compensation matters, as well as her management experience with
17 Newsweek, which the Nominating Committee and the Board believe gives
18 her insight into business strategy, leadership and marketing.

19 **Defendant McInerney**

20 44. Defendant McInerney has served as the Chairman of the Board since May
21 2021, and has been a Company director since November 2015. He also serves as the Chair
22 of the Nominating and Corporate Governance Committee. According to the 2024 Proxy
23 Statement, as of April 22, 2024, Defendant McInerney beneficially owned 337,954 shares
24 of the Company's common stock. Given that the price per share of the Company's common
25 stock at the close of trading on April 22, 2024 was \$31.96, Defendant McInerney owned
26 approximately \$10.8 million worth of Match stock as of that date.

27 45. For the 2023 Fiscal Year, Defendant McInerney received \$389,973 in total
28 compensation from the Company. This included \$140,000 in fees paid in cash and
\$249,973 in stock awards.

46. The 2024 Proxy Statement stated the following about Defendant McInerney:

Thomas J. McInerney, age 59, has been Chairman of the Board of Match
Group since May 2021 and has served as a director of Match Group since
November 2015. Mr. McInerney served as Chief Executive Officer of

1 Altaba Inc., a publicly traded registered investment company and the
2 successor company to Yahoo! Inc., from June 2017 to December 2021.
3 Mr. McInerney previously served as Executive Vice President and Chief
4 Financial Officer of the company formerly known as IAC/InterActiveCorp
5 ("Former IAC") from January 2005 to March 2012. From January 2003
6 through December 2005, he served as Chief Executive Officer of the
7 retailing division of Former IAC, which included HSN, Inc. and
8 Cornerstone Brands. From May 1999 to January 2003, Mr. McInerney
9 served as Executive Vice President and Chief Financial Officer of
10 Ticketmaster, formerly Ticketmaster Online CitySearch, Inc., a live
11 entertainment ticketing and marketing company. From 1986 to 1988 and
12 from 1990 to 1999, Mr. McInerney worked at Morgan Stanley, a global
13 financial services firm, most recently as Principal. Mr. McInerney has
14 served on the board of directors of Altaba Inc. since June 2017, where he
15 currently serves as the Chairman of the Board since January 2022. In
16 determining that Mr. McInerney should serve as a director, the Nominating
17 Committee and the Board considered his extensive senior leadership
18 experience at Former IAC and his related knowledge and experience
19 regarding Match Group, as well as his high level of financial literacy and
20 expertise regarding restructurings, mergers and acquisitions and
21 operations, and his public company board and committee experience.

22 **Defendant Murdoch**

23 47. Defendant Murdoch served as a Company director from June 2020 until the
24 annual meeting on June 21, 2024. During her time on the Board, she also served as Chair
25 of the Nominating and Corporate Governance Committee. According to the 2024 Proxy
26 Statement, as of April 22, 2024, Defendant Murdoch beneficially owned 6,611 shares of
27 the Company's common stock. Given that the price per share of the Company's common
28 stock at the close of trading on April 22, 2024 was \$31.96, Defendant Murdoch owned
29 approximately \$211,288 worth of Match stock as of that date.

30 48. For the 2023 Fiscal Year, Defendant Murdoch received \$319,973 in total
31 compensation from the Company. This included \$35,000 in fees paid in cash, \$35,000 in
32 fees deferred, and \$249,973 in stock awards.

33 49. The 2024 Proxy Statement stated the following about Defendant Murdoch:

34 *Wendi Murdoch*, age 55, has been a director of Match Group since June

2020. Ms. Murdoch is an entrepreneur and investor. Since 2009, Ms. Murdoch has served as cofounder and board member of Artsy, an online platform for collecting, discovering and selling art that partners with over 4,500 art museums, galleries, art fairs and auction houses. From 2005 to 2012, Ms. Murdoch worked as an advisor for News Corporation's businesses and investments in China. Throughout her career, Ms. Murdoch has applied her business expertise to advise and invest in technology and other companies in Asia and the United States. Ms. Murdoch is also an award-winning producer and produced the Netflix documentary "Sky Ladder," which premiered at the 2016 Sundance Film Festival. Ms. Murdoch holds an MBA from Yale University's School of Management. In determining that Ms. Murdoch should serve as a director, the Nominating Committee and the Board considered her investment and business expertise, including with respect to Asian markets.

Defendant Rascoff

50. Defendant Rascoff has served as a Company director since March 2024.

51. The 2024 Proxy Statement stated the following about Defendant Rascoff:

Spencer Rascoff, age 48, has been a director of Match Group since March 2024. Mr. Rascoff is a co-founder of 75 & Sunny Ventures, a startup studio and venture capital firm, where he has served as CEO since May 2021. Through 75 & Sunny Ventures, Mr. Rascoff is an active angel investor in over 50 companies. Mr. Rascoff is also a co-founder of Pacaso, a marketplace for vacation home ownership, where he has served as Chair since September 2020, as well as founder of several early-stage startups. Mr. Rascoff co-founded Zillow, a technology real estate marketplace company, in 2005 and served as its CEO for 10 years. During Mr. Rascoff's time as CEO, Zillow won dozens of "best places to work" awards as it grew to over 4,500 employees, \$3 billion in revenue and \$10 billion in market capitalization. Prior to Zillow, Mr. Rascoff co-founded and was VP, Corporate Development of Hotwire, a travel website, which was sold to Expedia in 2003. Mr. Rascoff is also a visiting professor at Harvard where he teaches classes on entrepreneurship and startups. Mr. Rascoff graduated from Harvard University with a Bachelor's degree in Government. Mr. Rascoff previously served as a member of the boards of directors of Zillow Group, Inc. from July 2011 through April 2020, Palantir Technologies Inc. from July 2020 through June 2022, TripAdvisor, Inc. from 2013 through June 2020, Supernova Partners Acquisition Company, Inc. from August 2020 through September 2021, Supernova Partners Acquisition Company II, Ltd. from December 2020 through March 2022, and Supernova Partners

1 Acquisition Company III, Ltd. from March 2021 through April 2023. In
2 determining that Mr. Rascoff should serve as a director, the Nominating
3 Committee and the Board considered his significant experience as an
4 entrepreneur and his proven track record of building and scaling consumer
internet businesses.

5 **Defendant Schiffman**

6 52. Defendant Schiffman has served as a Company director since September
7 2016. He also serves as a member of the Audit Committee. According to the 2024 Proxy
8 Statement, as of April 22, 2024, Defendant Schiffman beneficially owned 267,117 shares
9 of the Company's common stock. Given that the price per share of the Company's common
10 stock at the close of trading on April 22, 2024 was \$31.96, Defendant Schiffman owned
11 approximately \$8.5 million worth of Match stock as of that date.

12 53. For the 2023 Fiscal Year, Defendant Schiffman received \$299,973 in total
13 compensation from the Company. This included \$50,000 in fees deferred and \$249,973 in
14 stock awards.

15 54. The 2024 Proxy Statement stated the following about Defendant Schiffman:
16 *Glenn H. Schiffman*, age 54, has been a director of Match Group since
17 September 2016. Mr. Schiffman has served as Executive Vice President and
18 Chief Financial Officer of Fanatics, Inc., a global digital sports platform, since
19 August 2021. As Chief Financial Officer of Fanatics, Mr. Schiffman is
20 responsible for a broad set of financial and corporate functions across the
21 entire Fanatics global enterprise, including corporate finance, M&A, treasury,
22 financial planning and analysis, investor relations, accounting, information
23 and physical security, real estate, human resources, legal and corporate
24 administration. He drives the financial direction of the company as it expands
25 beyond commerce into new verticals across the sports ecosystem to become a
26 leading global digital sports platform. Prior to Fanatics, Mr. Schiffman served
27 as Executive Vice President and Chief Financial Officer of IAC, Inc. ("IAC")
28 (and its predecessors), a holding company that owns multiple digital products
and brands, from April 2016 to August 2021 and as Chief Financial Officer
of Angi Inc., a company that connects home service professionals with
consumers, from September 2017 to August 2019 and from February 2021 to
July 2021. Previously, Mr. Schiffman spent 25 years as an investment banker,
holding various leadership and management roles with organizations
including Guggenheim Securities, The Raine Group, Nomura, where he ran

1 the Asian and subsequently the North and South America Investment Banking
2 business, and Lehman Brothers, where he ran Asia Investment Banking and
3 previously he ran the Global Media Group. Mr. Schiffman has served on the
4 boards of directors of Angi Inc. and Vimeo, Inc. since June 2017 and May
5 2021, respectively, including serving as Chairman of the Board of Vimeo, Inc.
6 since March 2023. Mr. Schiffman was named Institutional Investor's CFO of
7 the Year of the Midcap Internet Sector in 2018 and 2021. In Mr. Schiffman's
8 philanthropic efforts, he focuses on endowing organizations and funding
9 initiatives with permanent capital to make lasting change. He founded and is
10 Chairman of the Valerie Fund Endowment, which supports children with
11 cancer and blood disorders, created an endowment at the Duke Medical Center
12 to research and hopefully someday cure pediatric cancer, created an
13 endowment at Washington & Lee to support Women's Athletics, and created
14 an endowment at Duke University to fund scholarships for athletes from
15 underrepresented communities. In determining that Mr. Schiffman should
16 serve as a director, the Nominating Committee and the Board considered the
17 unique knowledge and experience regarding Match Group and its businesses
18 that he gained through his role as Executive Vice President and Chief
19 Financial Officer of IAC, as well as his high level of financial literacy and
20 expertise regarding mergers, acquisitions, investments and other strategic
21 transactions. The Nominating Committee and the Board also considered Mr.
22 Schiffman's investment banking experience, which the Nominating
23 Committee and the Board believe gives him particular insight into trends in
24 capital markets and the technology and media industries.

Defendant Seymon

25 55. Defendant Seymon has served as a Company director since November 2015.
26 She also serves as a member of the Compensation Committee. According to the 2024 Proxy
27 Statement, as of April 22, 2024, Defendant Seymon beneficially owned 76,083 shares of
28 the Company's common stock. Given that the price per share of the Company's common
stock at the close of trading on April 22, 2024 was \$31.96, Defendant Seymon owned
approximately \$2.4 million worth of Match stock as of that date.

56. For the 2023 Fiscal Year, Defendant Seymon received \$304,973 in total
compensation from the Company. This included \$55,000 in fees paid in cash and \$249,973
in stock awards.

57. The 2024 Proxy Statement stated the following about Defendant Seymon:

1 *Pamela S. Seymon*, age 68, has been a director of Match Group since
2 November 2015. Ms. Seymon was a partner at Wachtell, Lipton, Rosen &
3 Katz, a New York law firm (“WLRK”), from January 1989 to January 2011,
4 and prior to that time, was an associate at WLRK from 1982. During her
5 tenure at WLRK, Ms. Seymon specialized in corporate law, mergers and
6 acquisitions, securities and corporate governance, and represented public and
7 private corporations on offense as well as defense, in both friendly and
8 unsolicited transactions. Ms. Seymon is a graduate of Wellesley College,
9 where she was a Wellesley Scholar, and New York University School of Law.
10 In determining that Ms. Seymon should serve as a director, the Nominating
11 Committee and the Board considered her extensive experience representing
12 public and private corporations in connection with a wide array of complex,
13 sophisticated and high profile matters, as well as her high level of expertise
14 generally regarding mergers, acquisitions, investments and other strategic
15 transactions.

16 **Defendant Spoon**

17 58. Defendant Spoon has served as a Company director since November 2015.
18 He also serves as Chair of the Audit Committee and as a member of the Nominating and
19 Corporate Governance Committee. According to the 2024 Proxy Statement, as of April 22,
20 2024, Defendant Spoon beneficially owned 292,226 shares of the Company’s common
21 stock. Given that the price per share of the Company’s common stock at the close of trading
22 on April 22, 2024 was \$31.96, Defendant Spoon owned approximately \$9.3 million worth
23 of Match stock as of that date.

24 59. For the 2023 Fiscal Year, Defendant Spoon received \$334,973 in total
25 compensation from the Company. This included \$85,000 in fees paid in cash and \$249,973
26 in stock awards.

27 60. The 2024 Proxy Statement stated the following about Defendant Spoon:

28 *Alan G. Spoon*, age 72, has been a director of Match Group since November
2015. Mr. Spoon served as General Partner and Partner Emeritus of Polaris
Partners from 2011 to 2018. He previously served as Managing General
Partner of Polaris Partners from 2000 to 2010. Polaris Partners is a private
investment firm that provides venture capital and management assistance to
development stage information technology and life sciences companies. Mr.
Spoon was Chief Operating Officer and a director of The Washington Post

Company (now known as Graham Holdings Company) from March 1991 through May 2000 and served as President from September 1993 through May 2000. Prior to his service in these roles, he held a wide variety of positions at The Washington Post Company, including as President of Newsweek from September 1989 to May 1991. Mr. Spoon has served as a member of the boards of directors of IAC since February 2003 and Danaher Corporation since July 1999, and as Chairman of the board of directors of Fortive Corporation since July 2016. Mr. Spoon previously served as a member of the board of directors of Cable One, Inc. from July 2015 through February 2021. In his not-for-profit affiliations, Mr. Spoon was a member of the Board of Regents at the Smithsonian Institution (formerly Vice Chairman) and is a longtime member of the MIT Corporation, where he serves on its Executive Committee and is Chair of its Risk and Audit Committee. He also serves as a member of the board of directors of the AXIM Collaborative Foundation, successor organization to edX.org (a not-for-profit online education platform sponsored by Harvard and the MIT Corporation). In determining that Mr. Spoon should serve as a director, the Nominating Committee and the Board considered his extensive private and public company board experience and public company management experience, all of which the Nominating Committee and the Board believe give him particular insight into business strategy, leadership and marketing in the media industry. The Nominating Committee and the Board also considered Mr. Spoon's venture capital experience and engagement with the MIT Corporation, which the Nominating Committee and the Board believe give him particular insight into trends in the internet and technology industries, as well as into acquisition strategy and financing.

FIDUCIARY DUTIES OF THE INDIVIDUAL DEFENDANTS

61. By reason of their positions as officers, directors, and/or fiduciaries of Match and because of their ability to control the business and corporate affairs of Match, the Individual Defendants owed Match and its shareholders fiduciary obligations of trust, loyalty, good faith, and due care, and were and are required to use their utmost ability to control and manage Match in a fair, just, honest, and equitable manner. The Individual Defendants were and are required to act in furtherance of the best interests of Match and its shareholders so as to benefit all shareholders equally.

62. Each director and officer of the Company owes to Match and its shareholders

1 the fiduciary duty to exercise good faith and diligence in the administration of the Company
2 and in the use and preservation of its property and assets and the highest obligations of fair
3 dealing.

4 63. The Individual Defendants, because of their positions of control and authority
5 as directors and/or officers of Match, were able to and did, directly and/or indirectly,
6 exercise control over the wrongful acts complained of herein.

7 64. To discharge their duties, the officers and directors of Match were required to
8 exercise reasonable and prudent supervision over the management, policies, controls, and
9 operations of the Company.

10 65. Each Individual Defendant, by virtue of their position as a director and/or
11 officer, owed to the Company and to its shareholders the highest fiduciary duties of loyalty,
12 good faith, and the exercise of due care and diligence in the management and
13 administration of the affairs of the Company, as well as in the use and preservation of its
14 property and assets. The conduct of the Individual Defendants complained of herein
15 involves a knowing and culpable violation of their obligations as directors and officers of
16 Match, the absence of good faith on their part, or a reckless disregard for their duties to the
17 Company and its shareholders that the Individual Defendants were aware or should have
18 been aware posed a risk of serious injury to the Company. The conduct of the Individual
19 Defendants who were also officers and directors of the Company has been ratified by the
20 remaining Individual Defendants who collectively comprised the Company's Board at all
21 relevant times.

22 66. As senior executive officers and/or directors of a publicly-traded company
23 whose common stock was registered with the SEC pursuant to the Exchange Act and traded
24 on the NASDAQ, the Individual Defendants had a duty to prevent and not to effect the
25 dissemination of inaccurate and untruthful information with respect to the Company's
26 financial condition, performance, growth, operations, financial statements, business,
27 products, management, earnings, internal controls, and present and future business
28

1 prospects, including the dissemination of false information regarding the Company's
2 business, prospects, and operations, and had a duty to cause the Company to disclose in its
3 regulatory filings with the SEC all those facts described in this complaint that it failed to
4 disclose, so that the market price of the Company's common stock would be based upon
5 truthful and accurate information. Further, they had a duty to ensure the Company remained
6 in compliance with all applicable laws.

7 67. To discharge their duties, the officers and directors of the Company were
8 required to exercise reasonable and prudent supervision over the management, policies,
9 practices, and internal controls of the Company. By virtue of such duties, the officers and
10 directors of Match were required to, among other things:

11 (a) ensure that the Company was operated in a diligent, honest, and prudent
12 manner in accordance with the laws and regulations of Delaware and the United States,
13 and pursuant to Match's corporate governance and applicable codes of conduct and/or
14 ethics;

15 (b) conduct the affairs of the Company in an efficient, business-like manner
16 so as to make it possible to provide the highest quality performance of its business, to avoid
17 wasting the Company's assets, and to maximize the value of the Company's stock;

18 (c) remain informed as to how Match conducted its operations, and, upon
19 receipt of notice or information of imprudent or unsound conditions or practices, to make
20 reasonable inquiry in connection therewith, and to take steps to correct such conditions or
21 practices;

22 (d) establish and maintain systematic and accurate records and reports of
23 the business and internal affairs of Match and procedures for the reporting of the business
24 and internal affairs to the Board and to periodically investigate, or cause independent
25 investigation to be made of, said reports and records;

26 (e) maintain and implement an adequate and functioning system of internal
27 legal, financial, and management controls, such that Match's operations would comply
28

1 with all applicable laws and Match's financial statements and regulatory filings filed with
2 the SEC and disseminated to the public and the Company's shareholders would be
3 accurate;

4 (f) exercise reasonable control and supervision over the public statements
5 made by the Company's officers and employees and any other reports or information that
6 the Company was required by law to disseminate;

7 (g) refrain from unduly benefiting themselves and other Company insiders
8 at the expense of the Company; and

9 (h) examine and evaluate any reports of examinations, audits, or other
10 financial information concerning the financial affairs of the Company and to make full and
11 accurate disclosure of all material facts concerning, *inter alia*, each of the subjects and
12 duties set forth above.

13 68. Each of the Individual Defendants further owed to Match and its shareholders
14 the duty of loyalty requiring that each favor Match's interest and that of its shareholders
15 over their own while conducting the affairs of the Company and refrain from using their
16 position, influence or knowledge of the affairs of the Company to gain personal advantage.

17 69. At all times relevant hereto, the Individual Defendants were the agents of each
18 other and of Match and were at all times acting within the course and scope of such agency.

19 70. Because of their advisory, executive, managerial, directorial, and controlling
20 positions with Match, each of the Individual Defendants had access to adverse, nonpublic
21 information about the Company.

22 71. The Individual Defendants, because of their positions of control and authority,
23 were able to and did, directly or indirectly, exercise control over the wrongful acts
24 complained of herein, as well as the contents of the various public statements issued by
25 Match.

26 **CONSPIRACY, AIDING AND ABETTING, AND CONCERTED ACTION**

27 72. In committing the wrongful acts alleged herein, the Individual Defendants
28

1 have pursued, or joined in the pursuit of, a common course of conduct, and have acted in
2 concert with and conspired with one another in furtherance of their wrongdoing. The
3 Individual Defendants caused the Company to conceal the true facts as alleged herein. The
4 Individual Defendants further aided and abetted and/or assisted each other in breaching
5 their respective duties.

6 73. The purpose and effect of the conspiracy, common enterprise, and/or common
7 course of conduct was, among other things, to: (i) facilitate and disguise the Individual
8 Defendants' violations of law, including breaches of fiduciary duty, unjust enrichment,
9 waste of corporate assets, gross mismanagement, abuse of control, and violations of the
10 Exchange Act; (ii) conceal adverse information concerning the Company's operations,
11 financial condition, legal compliance, future business prospects, and internal controls; and
12 (iii) artificially inflate the Company's stock price.

13 74. The Individual Defendants accomplished their conspiracy, common
14 enterprise, and/or common course of conduct by causing the Company purposefully or
15 recklessly to conceal material facts, fail to correct such misrepresentations, and violate
16 applicable laws. In furtherance of this plan, conspiracy, and course of conduct, the
17 Individual Defendants collectively and individually took the actions set forth herein.
18 Because the actions described herein occurred under the authority of the Board, each of the
19 Individual Defendants who is a director of Match was a direct, necessary, and substantial
20 participant in the conspiracy, common enterprise, and/or common course of conduct
21 complained of herein.

22 75. Each of the Individual Defendants aided and abetted and rendered substantial
23 assistance in the wrongs complained of herein. In taking such actions to substantially assist
24 the commission of the wrongdoing complained of herein, each of the Individual Defendants
25 acted with actual or constructive knowledge of the primary wrongdoing, either took direct
26 part in, or substantially assisted in the accomplishment of that wrongdoing, and was or
27 should have been aware of his or her overall contribution to and furtherance of the
28

wrongdoing.

76. At all relevant times hereto, each of the Individual Defendants was the agent of each of the other Individual Defendants and of Match and was at all times acting within the course and scope of such agency.

MATCH'S CODE OF CONDUCT AND CORPORATE GOVERNANCE

Match's Code of Conduct

77. Match's Code of Business Conduct and Ethics (the "Code of Conduct") states that Match is committed to conduct [] business affairs in accordance with not only the requirements of applicable law, but also standards of ethical conduct that will maintain and foster the Company's reputation for honest and straightforward business dealings."

78. Further, the Code of Conduct states that it applies to "all Match Group directors, officers and employees, as well as to directors, officers and employees of each subsidiary of Match Group."

79. In a section titled "Honest, Lawful, and Ethical Conduct," the Code of Conduct states the following, in pertinent part, "[t]he conduct of Covered Persons in performing their duties on behalf of the Company must in all situations, as to all matters and at all times, be honest, lawful and in accordance with high ethical and professional standards."

80. In a section titled "Conflicts of Interest," the Code of Conduct states the following, in pertinent part:

While it is impossible to foresee every potential conflict that could arise, examples of conflicts could include affiliations or investments in competitors, customers, suppliers, or others who do business with the Company. All Covered Persons must be sensitive to potential conflicts and avoid them where possible. The Company respects the privacy of its directors, officers and employees and their right to engage in outside activities (which expressly include, in the case of non-employee directors, serving as an executive officer, employee or director of, and/or maintaining a significant direct or indirect beneficial ownership interest in, another entity) that do not conflict with the interests of, do not interfere with the performance of their duties on behalf of,

1 and do not reflect poorly on the Company. The Company nonetheless has the
2 right and obligation to determine whether a conflict of interest (or improper
3 appearance of a conflict of interest) exists and to take appropriate action to
4 address it.

5 Before (i) engaging in any material transaction (including the making of a
6 significant direct or indirect investment in another entity) or accepting an
7 executive officer or director position with a non-profit entity, in each case that
8 reasonably could give rise to an actual or apparent conflict of interest, or (ii)
9 accepting an executive officer or director position with another for-profit
10 entity, each Covered Person must provide full and fair disclosure of all
11 relevant facts and circumstances to Match Group's Chief Business Affairs and
12 Legal Officer. After evaluating the reported transaction or relationship, Match
13 Group's Chief Business Affairs and Legal Officer will determine whether it
14 reasonably could give rise to an actual or apparent conflict of interest; and if
15 so, (i) determine whether any protective measures are appropriate, or (ii) in
16 the case of Match Group directors or Company officers reporting directly to
17 Match Group's Chief Executive Officer, make a recommendation to Match
18 Group's Nominating Committee or Chief Executive Officer, respectively,
19 who will make such determination, as appropriate. Any protective measures
20 may include prohibiting such transaction or relationship.

21 81. In a section titled "Compliance with Laws, Rules, and Regulations," the Code
22 of Conduct states the following, in pertinent part:

23 Complying with the law is the foundation on which Match Group's ethical
24 standards are built. It is Match Group's policy to be a good "corporate
25 citizen". All Covered Persons must comply with applicable governmental
26 laws, rules and regulations. Reasons such as "everyone does it" are
27 unacceptable excuses for violating this requirement of this Code.

28 82. In a section titled "Insider Trading," the Code of Conduct states the following,
in pertinent part:

Covered Persons who, as a result of their employment at or other association
with the Company, are in possession of material, non-public information
about any publicly traded corporation, including Match Group, may not
engage in transactions in the securities of such corporations and should not
share such information with anyone who might engage in such transactions.
To do so is not only unethical, but also illegal, and could expose you to civil
and criminal penalties.

83. In a section titled "Disclosure, Financial Reporting, and Accounting," the

1 Code of Conduct states the following, in relevant part:

2 The Company is committed to providing full, fair, accurate, timely and
3 understandable disclosure in all reports and documents filed with or submitted
4 to the Securities and Exchange Commission (“SEC”) and in all other public
5 communications made by the Company. All of the Company’s books, records,
6 accounts and financial statements must be maintained in reasonable detail,
7 must appropriately reflect the Company’s transactions and must conform both
8 to applicable legal requirements and to the Company’s system of internal
9 controls.

10 * * *

11 Any Covered Person who learns of any information concerning: (i) sig
12 nificant deficiencies or material weaknesses in the design or operation of
13 internal controls which could adversely affect the Company’s ability to
14 record, process, summarize and report financial data accurately, or (ii) any
15 fraud, whether or not material, involving management or other employees
16 who have a significant role in the Company’s financial reporting, disclosures
17 or internal controls, shall bring the matter promptly to the attention of a
18 member of the Disclosure Committee.

19 Upon receipt of any such information, the Disclosure Committee shall
20 investigate the matter, consult with senior management as warranted, confer
21 with the Audit Committee of Match Group’s Board of Directors if
22 appropriate, and ensure that any necessary corrective action is taken.

23 84. In a section titled “Waivers of the Code of Business Conduct and Ethics,” the
24 Code of Conduct states the following:

25 Any waiver of this Code for executive officers or directors of Match Group
26 may be made only by the Match Group Board of Directors or a properly
27 authorized Match Group Board committee and will be promptly disclosed to
28 Match Group stockholders along with reasons for such waiver as required by
law or Nasdaq regulation.

85. In a section titled “Enforcement,” the Code of Conduct states the following,
in relevant part:

Reporting Violations. Any Covered Person who learns of information
indicating that a violation of this Code has been or is about to be committed
must immediately report the facts to the Chief Business Affairs and Legal
Officer of Match Group.

The failure to report a violation of this Code may itself be a violation of this

1 Code.

2 86. In violation of the Code of Conduct, the Individual Defendants conducted
3 little, if any, oversight of the Individual Defendants' scheme to issue materially false and
4 misleading statements to the public and to facilitate and disguise the Individual
5 Defendants' violations of law, including but not limited to, breaches of fiduciary duty,
6 unjust enrichment, abuse of control, gross mismanagement, waste of corporate assets, and
7 violations of the Exchange Act. Also, in violation of the Code of Conduct, the Individual
8 Defendants failed to maintain the accuracy of Match's records and reports, failed to
9 maintain internal controls, and failed to comply with laws and regulations, conduct
10 business in an honest and ethical manner, and properly report violations of the Code of
11 Conduct.

12 ***Match's Audit Committee Charter***

13 87. Match's Audit Committee Charter ("Audit Committee Charter") states that
14 the purpose of the Audit Committee is as follows:

15 (i) the integrity of the financial statements of the Company, (2) the
16 effectiveness of the Company's internal control over financial reporting, (3)
17 the qualifications, performance and independence of the independent
18 registered public accounting firm (the "independent accounting firm"), (4) the
19 performance of the Company's internal audit function, (5) the Company's risk
20 assessment and risk management policies as they relate to financial and other
21 risk exposures, and (6) the Company's compliance with legal and regulatory
22 requirements.

23 88. Regarding the Audit Committee's authority and responsibilities with respect
24 the Audit Committee Charter states the following:

- 25 1. Review and discuss with management and the independent accounting
26 firm the annual audited financial statements, as well as disclosures made
27 in management's discussion and analysis, and recommend to the Board
28 whether the audited financial statements should be included in the
Company's Form 10-K.
2. Review and discuss with management and the independent accounting
firm the Company's earnings press releases and the results of the
independent accounting firm's review of the quarterly financial

statements.

3. Discuss with management and the independent accounting firm significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles.
4. Review and discuss with management and the independent accounting firm any major issues as to the adequacy of the Company's internal controls, including any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls, any special steps adopted in light of these issues and the adequacy of disclosures about changes in internal control over financial reporting.

* * *

6. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.

* * *

13. Discuss with management, the Company's senior internal auditing executive and the independent accounting firm the Company's and its subsidiaries' compliance with applicable legal requirements and codes of conduct.

* * *

17. Discuss with the Company's Chief Legal Officer or General Counsel legal matters that may have a material impact on the financial statements or the Company's compliance policies.

89. In violation of the Audit Committee Charter, the Individual Defendants conducted little, if any, oversight of the Company's engagement in the Individual Defendants' scheme to issue materially false and misleading statements to the public and to facilitate and disguise the Individual Defendants' violations of law, including breaches of fiduciary duty, unjust enrichment, gross mismanagement, abuse of control, waste of corporate assets, and violations of the Exchange Act. Moreover, in violation of the Audit

1 Committee Charter, the Individual Defendants failed to maintain the accuracy of the
2 Company records and reports, comply with laws and regulations, act in good faith and
3 diligence without misstating, misrepresenting, or omitting material facts, and properly
4 report violations of the Audit Committee Charter.

5 **INDIVIDUAL DEFENDANTS' MISCONDUCT**

6 **Background**

7 90. Match is an online dating services provider that connects people through its
8 brands in the online dating and social networking industry, such as Tinder, Match.com,
9 OkCupid, and Hinge.

10 91. Match tracks its growth by tracking the MAU it has on each platform. The
11 Company utilizes MAU and the average revenue per user as the primary operating metrics
12 in evaluating the performance of a given platform. It is these metrics that Match likes to
13 highlight to investors in its SEC filings and other public disclosures.

14 92. Match derives most of its revenue through subscription services, online
15 advertising, and in-app purchases. Of all the platforms it owns, Tinder is Match's highest
16 revenue generator, consistently accounting for over half of Match's direct revenue for the
17 past three years.

18 **False and Misleading Statements**

19 ***May 2, 2023 Shareholder Letter***

20 93. On May 2, 2023, Match published the Q1 2023 Shareholder letter, disclosing
21 its financial and operational results for the first quarter of the 2023 Fiscal Year.

22 94. In its discussion of the Tinder's user growth over the first quarter, the Q1 2023
23 Shareholder Letter stated, *inter alia*:

24 While Tinder is an iconic brand used by many, our data shows that
25 approximately 40% of eligible singles age 18 to 34 in North America and
26 Europe are still not using Tinder, and an additional approximately 35% have
27 used Tinder previously, but not in the last year ("lapsed users"). This provides
28 ample opportunity for Tinder to bring both singles who have never tried the
app and lapsed users into the fold. ***Tinder has a strong history of reactivating***

1 *lapsed users, and the large pool of lapsed users provides significant*
2 *opportunity to increase reactivations. The way for Tinder to attract new and*
3 *lapsed users is to deliver exciting features and a product experience that*
4 *resonates. We're confident that as Tinder does so, it can both return to*
5 *stronger new user growth and reactivate the large population of lapsed*
6 *users, which will ultimately drive revenue growth.*

7 ***2023 Proxy Statement***

8 95. On May 2, 2023, Match filed its Schedule 14A the Company filed with the
9 SEC (the "2023 Proxy Statement"). Defendants Kim, Bailey, Brenner, Dubey, McDaniel,
10 McInerney, Murdoch, Schiffman, Seymon, and Spoon solicited the 2023 Proxy Statement,
11 which contained material misstatements and omissions.

12 96. The 2023 Proxy Statement solicited shareholders to, *inter alia*: (1) reelect
13 Defendants Dubey, McDaniel, and McInerney to the Board for a three year term; (2)
14 approve, on an advisory basis, executive compensation; and (3) to ratify the appointment
15 Ernst & Young LLP ("EY") as the Company's independent registered public accounting
16 firm for the 2023 Fiscal Year.

17 97. Regarding the Company's "Corporate Governance Guidelines, Committee
18 Charters, and Code of Business Conduct and Ethics," the 2023 Proxy Statement stated the
19 following:

20 As part of its ongoing commitment to good corporate governance, the Board
21 has codified its corporate governance practices into a set of Corporate
22 Governance Guidelines and has also adopted written charters for each of the
23 committees of the Board. Match Group has also adopted a Code of Business
24 Conduct and Ethics for directors, officers (including our principal executive
25 officer, principal financial officer and principal accounting officer) and
26 employees. The Corporate Governance Guidelines, Audit Committee Charter,
27 Compensation and Human Resources Committee Charter, Nominating and
28 Corporate Governance Committee Charter, and Code of Business Conduct
and Ethics are available in the Corporate Governance section of our website
at <http://ir.mtch.com>.

98. Regarding "Risk Oversight," the 2023 Proxy Statement stated the following,
in relevant part:

The Board's role in risk oversight of the Company is consistent with Match

1 Group's leadership structure, with the Chief Executive Officer and other
2 members of senior management having responsibility for assessing and
3 managing the Company's risk exposure, and the Board and its committees
4 providing oversight in connection with these efforts. Match Group
5 management, including our Senior Vice President, Internal Audit, and our
6 Risk, Controls and Compliance team, is responsible for assessing and
7 managing Match Group's exposure to various risks on a day-to-day basis,
8 which responsibilities include the conduct of an enterprise risk assessment of
9 short-term, long-term and emerging risks, testing of key controls and
10 procedures, and creation of appropriate risk management programs and
11 policies. Management has developed and implemented guidelines and policies
12 to identify, assess and manage significant risks facing the Company. In
13 developing this framework, Match Group recognizes that leadership and
14 success are impossible without taking risks; however, the imprudent
15 acceptance of risks or the failure to appropriately identify and mitigate risks
16 could adversely impact stockholder value. The Board is responsible for
17 overseeing management in the execution of its responsibilities and for
18 assessing Match Group's approach to risk management. While the Board's
19 oversight focuses on all material risks, the Board may focus more frequently
20 on immediate areas of concern that represent significant emerging risks as
21 identified by management.

22 99. Defendants Kim, Bailey, Brenner, Dubey, McDaniel, McInerney, Murdoch,
23 Schiffman, Seymon, and Spoon caused the 2023 Proxy Statement to be false and
24 misleading by failing to disclose, *inter alia*, that: (1) the Company was facing greater
25 challenges in generating user growth for Tinder than was otherwise being represented; (2)
26 because of this, there was a significant risk that Tinder's MAU would be unable to recover
27 by the time the Company had to report its financial results for the third quarter of the 2024
28 Fiscal Year; and (3) Tinder was facing additional issues regarding its average revenue per
user. As a result of the foregoing, the Company's public statements were materially false
and misleading and/or lacked a reasonable basis at all relevant times.

100. The 2023 Proxy Statement also was false and misleading because it failed to
disclose that: (1) though the Company claimed its officers and directors adhered to the
Code of Conduct, the Individual Defendants violated these policies either without waivers
or without such waivers being disclosed; and (2) contrary to the 2023 Proxy Statement's

1 descriptions of the Board's and its committees' risk oversight functions, the Board and its
2 committees were not adequately exercising these functions and were causing or permitting
3 the Company to issue false and misleading statements.

4 101. As a result of Defendants Kim, Bailey, Brenner, Dubey, McDaniel,
5 McInerney, Murdoch, Schiffman, Seymon, and Spoon causing the 2023 Proxy Statement
6 to be false and misleading, shareholders voted, *inter alia*, to: (1) reelect Defendants Dubey,
7 McDaniel, and McInerney to the Board for an additional three-year term, thereby allowing
8 them to continue breaching their fiduciary duties to the Company; (2) approve, on a non-
9 binding advisory basis, the compensation of Match's executive officers; and (3) ratify the
10 appointment of EY as the Company's independent registered public accounting firm for
11 the 2023 Fiscal Year.

12 ***February 23, 2024 Form 10-K***

13 102. On February 23, 2024, the Company filed its annual report on Form 10-K with
14 the SEC for the 2023 Fiscal Year (the "2023 10-K"). The 2023 10-K was signed by
15 Defendants Kim, Swidler, McInerney, Bailey, Brenner, Dubey, McDaniel, Murdoch,
16 Schiffman, Seymon, and Spoon and contained certifications pursuant to the Sarbanes-
17 Oxley Act of 2002 ("SOX") signed by Defendants Kim and Swidler attesting to the
18 accuracy of the financial reporting, the disclosure of any material changes to Match's
19 internal control over financial reporting, and the disclosure of all fraud.

20 103. The 2023 10-K discussed the Company's risk disclosures using generic,
21 boilerplate language, notably not mentioning the ongoing risks associated with Tinder's
22 user growth that were occurring at the time. The 2023 10-K stated the risk disclosure as:

23 ***If we fail to retain existing users or add new users, our revenue, financial***
24 ***results, and business may be significantly harmed.***

25 ***Our financial performance has been and will continue to be significantly***
26 ***determined by our success in adding and retaining users of our services.*** In
27 the past we have experienced, and expect to continue to experience,
28 fluctuations in the size of our user base in one or more markets from time to
time, particularly in markets where we have achieved higher penetration rates.

1 The size of our user base is also impacted by a number of other factors,
2 including competitive products and services and global and regional business,
3 macroeconomic, and geopolitical conditions. For example, wars in the Middle
4 East and Ukraine have led to reduced supply as well as the decision to suspend
our services in Russia.

5 ***Further, if people do not perceive our services to be useful, we may not be***
6 ***able to attract or retain users.*** In recent years, some users, particularly
7 younger generations, have shown a decreased appetite for our services and
8 those of our competitors due potentially to a number of factors. ***With each***
9 ***new generation of users, expectations of our services change and user***
10 ***behaviors and priorities shift.*** As a result, we may need to further leverage
11 our existing capabilities or advances in technologies like artificial intelligence
12 (“AI”), or adopt new technologies, to improve our existing services or
13 introduce new services in order to better satisfy existing users and to expand
14 our penetration of what continues to be a large available new user market.
15 However, there can be no assurances that further implementation of
16 technologies like AI will enhance our services or be beneficial to our business
17 and the introduction of new features or services to our existing services may
18 have unintended consequences on our ecosystem, which could lead to
19 fluctuations in the size of our user base. Additionally, in 2023 we began
20 consolidating some of our legacy brands’ platforms in order to decrease
21 operating costs, which may result in changes to the user experience for some
22 of our brands that some existing users may perceive negatively.

23 If we are unable to maintain or increase the size of our user base, our revenue
24 and other financial results may be adversely affected. Further, as the size of
25 our user base fluctuates in one or more markets from time to time, we may
26 become increasingly dependent on our ability to maintain or increase levels
27 of monetization in order to grow revenue. Any significant decrease in user
28 retention or growth could render our services less attractive to users, which is
likely to have a material and adverse impact on our business, financial
condition, and results of operations.

2024 Proxy Statement

104. On April 29, 2024, Match filed the 2024 Proxy Statement with the SEC.
Defendants Kim, Bailey, Brenner, Dubey, Jones, McDaniel, McInerney, Murdoch,
Rascoff, Schiffman, Seymon, and Spoon solicited the 2024 Proxy Statement, which
contained material misstatements and omissions.

1 105. The 2024 Proxy Statement solicited shareholders to, *inter alia*: (1) reelect
2 Defendants Murdoch, Rascoff, Schiffman, and Seymon to the Board for a three-year term;
3 (2) approve, on a non-binding advisory basis, the compensation of Match's executive
4 officers; (3) approve the 2024 Stock Plan; and (4) ratify the appointment of EY as the
5 Company's independent registered public accounting firm for the 2024 Fiscal Year.

6 106. The 2024 Proxy Statement explains that 2024 Stock Plan would be comprised
7 of 6,000,000 shares and any shares otherwise available under the pre-existing 2017 Stock
8 and Annual Incentive Plan. Upon the approval of the 2024 Stock Plan, it will replace the
9 pre-existing 2017 Stock and Annual Incentive Plan would become ineffective. Should the
10 2024 EIP not be approved, shares would continue to be granted under the 2015 Stock and
11 Annual Incentive Plan until the expiration of the 2015 Stock and Annual Incentive Plan in
12 November 2025.

13 107. Regarding the Company's "Corporate Governance Guidelines, Committee
14 Charters, and Code of Business Conduct and Ethics," the 2023 Proxy Statement stated the
15 following:

16 As part of its ongoing commitment to good corporate governance, the Board
17 has codified its corporate governance practices into a set of Corporate
18 Governance Guidelines and has also adopted written charters for each of the
19 committees of the Board. Match Group has also adopted a Code of Business
20 Conduct and Ethics for directors, officers (including our principal executive
21 officer, principal financial officer and principal accounting officer) and
22 employees. The Corporate Governance Guidelines, Audit Committee Charter,
23 Compensation and Human Resources Committee Charter, Nominating and
24 Corporate Governance Committee Charter, and Code of Business Conduct
25 and Ethics are available in the Corporate Governance section of our website
26 at <http://ir.mtch.com>.

27 108. Regarding "Risk Oversight," the 2023 Proxy Statement stated the following,
28 in relevant part:

 The Board's role in risk oversight of the Company is consistent with Match
Group's leadership structure, with the Chief Executive Officer and other
members of senior management having responsibility for assessing and

1 managing the Company's risk exposure, and the Board and its committees
2 providing oversight in connection with these efforts. Match Group
3 management, including our Senior Vice President, Internal Audit, and our
4 Risk, Controls and Compliance team, is responsible for assessing and
5 managing Match Group's exposure to various risks on a day-to-day basis,
6 which responsibilities include the conduct of an enterprise risk assessment of
7 short-term, long-term and emerging risks, testing of key controls and
8 procedures, and creation of appropriate risk management programs and
9 policies. Management has developed and implemented guidelines and policies
10 to identify, assess and manage significant risks facing the Company. In
11 developing this framework, Match Group recognizes that leadership and
12 success are impossible without taking risks; however, the imprudent
13 acceptance of risks or the failure to appropriately identify and mitigate risks
14 could adversely impact stockholder value. The Board is responsible for
15 overseeing management in the execution of its responsibilities and for
16 assessing Match Group's approach to risk management. While the Board's
17 oversight focuses on all material risks, the Board may focus more frequently
18 on immediate areas of concern that represent significant emerging risks as
19 identified by management.

14 109. Defendants Kim, Bailey, Brenner, Dubey, Jones, McDaniel, McNerney,
15 Murdoch, Rascoff, Schiffman, Seymon, and Spoon caused the 2024 Proxy Statement to be
16 false and misleading by failing to disclose, *inter alia*, that: (1) the Company was facing
17 greater challenges in generating user growth for Tinder than was otherwise being
18 represented; (2) because of this, there was a significant risk that Tinder's MAU would be
19 unable to recover by the time the Company had to report its financial results for the third
20 quarter of the 2024 Fiscal Year; (3) Tinder was facing additional issues regarding its
21 average revenue per user; and (4) the Individual Defendants were improperly interested in
22 increasing their future compensation by seeking shareholder approval of the 2024 Stock
23 Plan. As a result of the foregoing, the Company's public statements were materially false
24 and misleading and/or lacked a reasonable basis at all relevant times.

25 110. The 2024 Proxy Statement also was false and misleading because it failed to
26 disclose that: (1) though the Company claimed its officers and directors adhered to the
27 Code of Conduct, the Individual Defendants violated these policies either without waivers
28

1 or without such waivers being disclosed; and (2) contrary to the 2024 Proxy Statement's
2 descriptions of the Board's and its committees' risk oversight functions, the Board and its
3 committees were not adequately exercising these functions and were causing or permitting
4 the Company to issue false and misleading statements.

5 111. As a result of Defendants Kim, Bailey, Brenner, Dubey, Jones, McDaniel,
6 McInerney, Murdoch, Rascoff, Schiffman, Seymon, and Spoon causing the 2024 Proxy
7 Statement to be false and misleading, shareholders voted, *inter alia*, to: (1) reelect
8 Defendants Rascoff, Schiffman, and Seymon to the Board for an additional three-year
9 term,² thereby allowing them to continue breaching their fiduciary duties to the Company;
10 (2) approve, on a non-binding advisory basis, the compensation of Match's executive
11 officers; (3) approve the 2024 Stock Plan; and (4) ratify the appointment of EY as the
12 Company's independent registered public accounting firm for the fiscal year ended
13 December 31, 2024.

14 112. As a result of the shareholders approving the 2024 Stock Plan, the 2024 Stock
15 Plan replaced the pre-existing 2017 Stock and Annual Incentive Plan, with an additional
16 6,000,000 shares to disburse. As such, the Individual Defendants continue to receive
17 material personal benefits in the form of stock awards and will continue to receive material
18 personal benefits in the form of stock awards pursuant to the 2024 Stock Plan in the future.

19 ***May 8, 2024 Form 10-Q***

20 113. On May 8, 2024, Match filed its quarterly report on Form 10-Q with the SEC
21 for the quarterly period ended March 31, 2024 (the "Q1 2024 10-Q"). The Q1 2024 10-Q
22 was signed by Defendant Swidler and contained SOX certifications signed by Defendants
23 Kim and Swidler attesting to the accuracy of financial reporting, the disclosure of any
24 material changes to Match's internal control over financial reporting, and the disclosure of
25 all fraud.

26
27
28 ² Despite having been up for reelection, on June 2, 2024 Defendant Murdoch chose not to
stand for reelection as a director and instead chose to step down at the Annual Meeting.

114. The Q1 2024 10-Q incorporated the risk disclosures from the 2023 10-K outlined in ¶103 above.

May 8, 2024 Earnings Call

115. That same day, the Company hosted an earnings call with investors to discuss the quarterly results for the first quarter (the “Q1 2024 Earnings Call”). On the Q1 Earnings Call, Defendant Kim discussed the issues the Company has experienced generating user growth on Tinder, understating the relevant issues. In full, Defendant Kim stated:

Tinder's international scale and reach has never been matched by any other dating app. And it's critical that we keep the ecosystem vibrant. ***For example, Tinder took decisive action by changing its community guidelines and moderation practices mid-last year, which better enabled the removal of users who are not on the app for its intended purposes. While the improvements to the ecosystem and benefits to the brand are undeniable, these actions did contribute to some of Tinder's MAU declines over the past nine months.***

We believe that actions like these are in the best interest of Tinder's long-term success. ***So we are willing to accept fewer MAU in the short-term*** to create a safer ecosystem and better outcomes for our daters. Diving a little deeper into Tinder, we have heard loud and clear that some users, especially the Gen Z cohort, are looking for more from their dating apps. We have been in this business a long time, and we have consistently adapted our offerings to best serve the needs of different generations and we understand and recognize that expectations of apps are changing.

Tinder is working tirelessly to execute against their strategy, and I'm incredibly confident in the team's ability to satisfy these evolving expectations that users have. By the end of the year, we expect to have a significantly improved product. Similarly, pressures on discretionary consumer spending, especially among Tinder's younger user base, have negatively impacted Tinder's a la carte revenue. The team is doubling down on its efforts to improve the efficacy of its current ALC features and introduce new offerings at affordable price points. We expect to see improvements in ALC trends by the back half of the year. We know we have work to do to satisfy every new generation of daters. The Tinder team is working to improve the dating journey at every point of the experience. ***Through innovation, especially with AI, we believe we can improve the quality of profiles,***

1 *matching outcomes, safety features, and the post-match experience to make*
 2 *the entire Tinder platform more modern and deliver on their brand promise.*

3 I've asked our Chief Technology Officer and his central innovation team to
 4 work even more closely with Tinder's product team to expedite all these
 5 efforts which are underway. *And given Tinder's vast scale and knowledge*
 6 *about relationships and dating, there is no dating app better positioned to*
 7 *take advantage of these advances in technology.* Tinder has become an
 8 industry defining highly profitable business over the past decade. We have
 9 been innovating to solve some of the user pain points. As a result, we will
 10 have a healthier, more satisfying, and ultimately more valuable experience for
 11 daters to enjoy.

12 *And I am confident that Tinder's momentum will come back. We believe we*
 13 *have real market opportunity and the right teams and strategies in place to*
 14 *get to that next level of growth.* And we are determined to deliver that for all
 15 of our stakeholders. We continue to see significant growth runway at Hinge
 16 and our emerging brands portfolio. *We're executing on our turnaround plan*
 17 *for Tinder and our central innovation teams are bringing renewed vigor to*
 18 *product innovation.* We are excited to continue this work as giving people
 19 new, exciting ways to connect is what motivates us every day. And with that,
 20 let me turn it over to Gary.

21 *July 31, 2024 Earnings Call*

22 116. On July 31, 2024, the Company hosted an earnings call with investors to
 23 discuss the quarterly results for the second quarter of the 2024 Fiscal Year (the "Q2 2024
 24 Earnings Call"). On the Q2 2024 Earnings Call, Defendant Swidler discussed Tinder's
 25 declining MAU, but undersold the impact they really had on the Company, stating:

26 Focusing on user trends, we saw sequential stability in Tinder's MAU, which
 27 were down 9% year-over-year in Q2, as was the case in Q1. MAU at Tinder
 28 have now been relatively stable since March. *A large decline in MAU began*
in July of last year, driven in large part by changes we made to Tinder's
trust and safety policies to remove people who are not truly on the app to
connect that has now begun to stabilize.

With much of this impact now behind us and given Tinder's various ongoing
 product and marketing initiatives, *we're confident Tinder's year-over-year*
MAU declines should continue to moderate as this year passes.

117. During his scripted remarks on the Q2 2024 Earnings Call, Defendant Kim

1 also underplayed the issues regarding Tinder's MAU, stating:

2 Over the last several quarters, Tinder has been working hard to improve the
3 user experience, and we're now starting to see initial signs of progress. User
4 and payer trends are stabilizing, and we expect them to continue to improve
5 from here. ***We expect strong sequential payer growth in Q3 and better year-
over-year MAU trends in the second half of the year.***

6 As the largest dating app in the world, it's Tinder's job to deliver for its users,
7 which in turn helps attract new users. ***Tinder is building on its fun legacy and
its iconic swipe experience by continuing to increase authenticity and
8 realness and by setting the industry standard for trust and safety.*** We believe
9 this will address some of the concerns that users have been vocal about more
recently.

10 118. During the question-and-answer portion of the Q2 2024 Earnings Call,
11 Defendant Kim responded to a question regarding the stabilization of Tinder's user growth
12 in the quarter, stating:

13 *Nathan Feather – Morgan Stanley, Analyst:* Hey, everyone. ***Congrats on the
14 stabilization and Tinder user growth in the quarter.*** Is there anything
15 outsized that led to that stabilization or more so stacking of a variety of
16 individual improvements? And can you help us contextualize how much of
that is due to new user trends versus retention? Thank you.

17 *Defendant Kim:* Thanks, Nathan, for that question. I really like how you
18 framed it around stacking Tinder product improvements. Our work is really a
19 combination of product initiatives building on each other over time. And this
20 is reinforced with really strong marketing that is helping drive stabilization
21 and start contributing to improvements on the back half of this year. The trust
22 and safety moves that we made last year are one of -- is a great example of
23 stacking initiatives, which we know were the right decisions. And the good
24 news is we've worked through a lot of those -- a lot of that noise and has led
to better user outcomes and say that the user base has stabilized, retention is
improving and growing and we're making strides in top of funnel again. It's a
really exciting time period for Tinder.

25 ***August 1, 2024 Form 10-Q***

26 119. On August 1, 2024, Match filed its quarterly report on Form 10-Q with the
27 SEC for the quarterly period ended June 30, 2024 (the "Q2 2024 10-Q"). The Q2 2024 10-
28

1 Q was signed by Defendant Swidler and contained SOX certifications signed by
2 Defendants Kim and Swidler attesting to the accuracy of financial reporting, the disclosure
3 of any material changes to Match's internal control over financial reporting, and the
4 disclosure of all fraud.

5 120. The Q2 2024 10-Q incorporated the risk disclosures from the 2023 10-K
6 outlined in ¶103 above.

7 121. The statements referenced in ¶¶93-94, 102-103, and 113-120 above were
8 materially false and misleading when made because they failed to disclose material adverse
9 facts about the Company's business, operations, and prospects. Specifically, the identified
10 statements failed to disclose that: (1) the Company was facing greater challenges in
11 generating user growth for Tinder than was otherwise being represented; (2) because of
12 this, there was a significant risk that Tinder's MAU would be unable to recover by the time
13 the Company had to report its financial results for the third quarter of the 2024 Fiscal Year;
14 (3) Tinder was facing additional issues regarding its average revenue per user; and (4) the
15 Individual Defendants were improperly interested in increasing their future compensation
16 by seeking shareholder approval of the 2024 Stock Plan. As a result of the foregoing, the
17 Company's public statements were materially false and misleading and/or lacked a
18 reasonable basis at all relevant times.

19 The Truth Emerges

20 *November 6, 2024 Shareholder Letter*

21 122. The truth began to emerge on November 6, 2024 when the Company issued
22 the Q3 2024 Shareholder Letter. The Q3 2024 Shareholder Letter disclosed that, despite
23 the Company's assertions to the contrary, Tinder's MAU were down year-over-year in the
24 third quarter, stating:

25 Tinder MAU was down 9% Y/Y in Q3, which was the same rate of decline as
26 in Q2, falling short of our expectations for continued improvement in Y/Y
27 trends. From mid-September through October, we saw more pressure on new
28

1 users (registrations and reactivations) than we expected, which has led to
2 pressure on MAU.

3 Tinder's primary focus remains driving its product transformation efforts
4 forward to improve ecosystem health and user outcomes, which we believe
5 are necessary for durable improvements in user, Payer, and revenue trends

6 ***November 7, 2024 Investopedia Report***

7 123. The following day, on November 7, 2024, Investopedia published a report
8 titled "Match Group Stock Slips as Fourth Quarter Outlook Disappoints." The report
9 revealed a decline in the Company's share price as a result of the disappointing revelation
10 in the Q3 2024 Shareholder Letter regarding Tinder's MAU, despite strong performance
11 from Hinge, stating:

12 Shares of online dating giant [Match] tumbled Thursday morning despite a
13 third-quarter earnings beat released after the bell Wednesday.

14 * * *

15 Revenue and downloads of Hinge continued to grow, ***but Match said Tinder***
16 ***Direct revenue came in below its own expectations, as the app's monthly***
17 ***active users (MAUs) declined 9% from the same time last year and its***
18 ***revenue per payer (RPP) grew less than expected. Some new features tested***
19 ***with Tinder users in the quarter negatively impacted subscription revenue,***
20 ***which the company said will likely also have an impact on fourth quarter***
21 ***revenue.***

22 ***November 7, 2024 Earnings Call***

23 124. The truth fully emerged on November 7, 2024, when the Company hosted an
24 earnings call with investors and analysts to discuss the third quarter results (the "Q3 2024
25 Earnings Call"). On the Q3 2024 Earnings Call, Defendant Kim addressed the elephant
26 in the room that was the Tinder MAU issue, stating:

27 As I mentioned during our last call, shareholders rightfully expect both short
28 and long-term results. In the short-term, Tinder's direct revenue was slightly
below our expectations driven by the under delivery of certain optimizations.
However, Tinder added 311,000 payers sequentially and declined by only 4%
year-over-year. This was well above our outlook provided in late July.

1 *While we're pleased with the results on payers, we saw less progress on*
 2 *Tinder MAU than we expected.* Tinder remains focused on the longterm
 3 testing several important new features aimed at cleaning up its ecosystem and
 4 improving user outcomes. This includes testing mandated face photos in
 several markets.

* * *

5 We're pleased with the progress we've seen recently at Tinder on product
 6 execution, but are far from done. The team is working tirelessly pushing
 7 forward with initiatives to drive Tinder's transformation forward. *At the same*
 8 *time, we're clear eyed that Tinder's progress will not always be linear*
because we know that transformation, such as these, take time.

9 125. Defendant Swidler also touched upon the Tinder MAU situation during his
 10 own scripted remarks on the Q3 2024 Earnings Call, stating:

11 Tinder MAU were down 9% in the quarter consistent with Q2 trends. *We had*
 12 *expected to see improvement in year-over-year MAU trends in the quarter.*
 13 *However, in mid-September, we began to see weaker new user trends, which*
includes new registrations and reactivations of lapsed users than is typical
at this time of year, a trend that has stabilized in October.

14 The pressure on new users was largely confined to iOS. We are working
 15 collaboratively with Apple to investigate whether it's related to the
 16 introduction of iOS 18 in mid-September, certain trust and safety
 17 enhancements we made or another cause. *This in turn has caused pressure*
 18 *on Tinder MAU.* We are working on a number of initiatives to improve this
 trend.

19 126. Lastly, during the question-and-answer portion of the Q3 2024 Earnings Call,
 20 Defendant Kim responded to a question regarding what was going on with Tinder, stating:

21 *Ross Sandler – Barclays – Analyst:* Great. So I guess, Gary, starting with the
 22 Tinder top of funnel trends, could you just elaborate a little bit more on what's
 23 going on? You mentioned iOS and a few other things around top of funnel
 24 and the weaker MAU at the end of 3Q and then what's happening right now
 25 in 4Q? And as we turn ahead to '25, other than cranking on marketing, what
 26 other trends might help drive top of funnel at Tinder? And I guess it's related
 27 to this, did you feel like Tinder's operating margin at 52% is at the right level
 28 or how do we think about that long-term? Thank you.

Defendant Kim: Thanks, Ross. This is BK. I'm going to handle the first part
 of that question and Gary can jump in on the margin side. So we did see a step
 back in Tinder's MAU growth starting in mid-September. And as Gary

1 mentioned in his comments, we're investigating several possible causes. This
2 includes the introduction of iOS 18 and some recent trust and safety
3 enhancements that may have added to friction for daters. While I believe this
4 step back isn't what we wanted, we don't see this as a longterm structural shift.
5 Our team's top priority remains driving product innovation and that's where
6 Tinder's focus is. We know we need to clean up the ecosystem and create
7 better experiences, especially for younger users and women and we're
8 working on it, but meaningful changes do take time. Now you mentioned
9 marketing and it's definitely key to reinforce Tinder's brand and promoting
10 new products. But marketing alone will not drive top of funnel growth. That's
11 why our focus is on product-led strategies to build sustainable engagement.
12 We're excited for Investor Day, so we can lay out our product roadmap and
13 discuss our plans to get Tinder back on track. We're confident in these plans.

14 127. On this news, the price per share of Match's stock fell \$0.96 per share, or
15 1.85%, from a closing price of \$51.78 per share on July 24, 2024 to close at \$50.82 per
16 share on July 25, 2024. It continued to fall an additional \$0.99 per share, or 1.9%, to close
17 at \$49.83 per share on July 26, 2024.

18 **REPURCHASES DURING THE RELEVANT PERIOD**

19 128. During the Relevant Period, the Individual Defendants caused the Company
20 to initiate repurchases of its common stock that substantially damaged the Company. In
21 total, the Company spent an aggregate amount of approximately \$723 million to repurchase
22 approximately 18,739,201 shares of its own common stock at artificially inflated prices
23 from May 2023 and September 2024.

24 129. According to the Form 10-Q the Company filed with the SEC on August 3,
25 2023 for the quarterly period ended June 30, 2023 (the "Q2 2023 10-Q"), between May 1,
26 2023 and May 31, 2023, the Company repurchased 1,024,118 shares of its own common
27 stock at an average price per share of approximately \$31.84, for a total cost to the Company
28 of approximately \$32,607,917.

129. As the Company's stock was actually worth only \$31.11 per share, the price
at closing on November 7, 2024, the Company overpaid by approximately \$747,606 for
repurchases of its own stock between May 1, 2023 and May 31, 2023.

1 131. According to the Form 10-Q the Company filed with the SEC on November
2 2, 2023 for the quarterly period ended September 30, 2023 (the “Q3 2023 10-Q”), between
3 August 1, 2023 and August 31, 2023, the Company repurchased 6,000,000 shares of its
4 own common stock at an average price per share of approximately \$44.81 per share, for a
5 total cost to the Company of approximately \$268,860,000.

6 132. As the Company’s stock was actually worth only \$31.11 per share, the price
7 at closing on November 7, 2024, the Company overpaid by approximately \$82,200,000 for
8 repurchases of its own stock between August 1, 2023 and August 31, 2023.

9 133. According to the Q3 2023 10-Q, between September 1, 2023 and September
10 30, 2023, the Company repurchased 667,465 shares of its own common stock at an average
11 price per share of approximately \$46.62 per share, for a total cost to the Company of
12 approximately \$31,117,218.

13 134. As the Company’s stock was actually worth only \$31.11 per share, the price
14 at closing on November 7, 2024, the Company overpaid by approximately \$10,352,382 for
15 repurchases of its own stock between September 1, 2023 and September 30, 2023.

16 135. According to the 2023 10-K, between December 1, 2023 and December 31,
17 2023, the Company repurchased 829,396 shares of its own common stock at an average
18 price per share of approximately \$32.64 per share, for a total cost to the Company of
19 approximately \$27,071,485.

20 136. As the Company’s stock was actually worth only \$31.11 per share, the price
21 at closing on November 7, 2024, the Company overpaid by approximately \$1,268,976 for
22 repurchases of its own stock between December 1, 2023 and December 31, 2023.

23 137. According to the Q1 2024 10-Q, between February 1, 2024 and February 29,
24 2024, the Company repurchased 1,917,899 shares of its own common stock at an average
25 price per share of approximately \$36.42 per share, for a total cost to the Company of
26 approximately \$69,849,882.

27 138. As the Company’s stock was actually worth only \$31.11 per share, the price
28

1 at closing on November 7, 2024, the Company overpaid by approximately \$10,184,044 for
2 repurchases of its own stock between February 1, 2024 and February 29, 2024.

3 139. According to the Q1 2024 10-Q, between March 1, 2024 and March 31, 2024,
4 the Company repurchased 3,699,120 shares of its own common stock at an average price
5 per share of approximately \$34.54 per share, for a total cost to the Company of
6 approximately \$127,767,605.

7 140. As the Company's stock was actually worth only \$31.11 per share, the price
8 at closing on November 7, 2024, the Company overpaid by approximately \$12,687,982 for
9 repurchases of its own stock between March 1, 2024 and March 31, 2024.

10 141. According to the Q2 2024 10-Q, between April 1, 2024 and April 30, 2024,
11 the Company repurchased 65,845 shares of its own common stock at an average price per
12 share of approximately \$36.05 per share, for a total cost to the Company of approximately
13 \$2,373,712.

14 142. As the Company's stock was actually worth only \$31.11 per share, the price
15 at closing on November 7, 2024, the Company overpaid by approximately \$325,274 for
16 repurchases of its own stock between April 1, 2024 and April 30, 2024.

17 143. According to the Form 10-Q the Company filed with the SEC on November
18 12, 2024 for the quarterly period ended September 30, 2024 (the "Q3 2024 10-Q"), between
19 August 1, 2024 and August 31, 2024, the Company repurchased 1,933,412 shares of its
20 own common stock at an average price per share of approximately \$35.55 per share, for a
21 total cost to the Company of approximately \$68,732,797.

22 144. As the Company's stock was actually worth only \$31.11 per share, the price
23 at closing on November 7, 2024, the Company overpaid by approximately \$8,584,349 for
24 repurchases of its own stock between August 1, 2024 and August 31, 2024.

25 145. According to the Q3 2024 10-Q, between September 1, 2024 and September
26 30, 2024, the Company repurchased 2,601,946 shares of its own common stock at an
27 average price per share of approximately \$36.36 per share, for a total cost to the Company
28

1 of approximately \$94,606,757.

2 146. As the Company's stock was actually worth only \$31.11 per share, the price
3 at closing on November 7, 2024, the Company overpaid by approximately \$13,660,217 for
4 repurchases of its own stock between September 1, 2024 and September 30, 2024.

5 147. Thus, in total, during the Relevant Period, the Company overpaid for
6 repurchases of its own stock by over \$140 million.

7 **DAMAGES TO MATCH**

8 148. As a direct and proximate result of the Individual Defendants' conduct, Match
9 has lost and will continue to lose and expend many millions of dollars.

10 149. Such expenditures include, but are not limited to, legal fees, costs, and any
11 payments for resolution of or to satisfy a judgment associated with the Securities Class
12 Action, and amounts paid to outside lawyers, accountants, and investigators in connection
13 thereto.

14 150. Such expenditures also include, but are not limited to, fees, costs, and any
15 payments for resolution of or to satisfy judgments associated with any other lawsuits filed
16 against the Company or the Individual Defendants based on the misconduct alleged herein,
17 and amounts paid to outside lawyers, accountants, and investigators in connection thereto.

18 151. Such expenditures will also include costs incurred in any internal
19 investigations pertaining to violations of law, costs incurred in defending any
20 investigations or legal actions taken against the Company due to its violations of law, and
21 payments of any fines or settlement amounts associated with the Company's violations.

22 152. Such losses include the Company's overpayment of over \$140 million for
23 repurchases of its own stock during the period when the Company's stock price was
24 artificially inflated due to the false and misleading statements discussed above.

25 153. Additionally, these expenditures include, but are not limited to, unjust
26 compensation, benefits, and other payments provided to the Individual Defendants who
27 breached their fiduciary duties to the Company.
28

1 154. As a direct and proximate result of the Individual Defendants' conduct, Match
2 has also suffered and will continue to suffer a loss of reputation and goodwill, and a "liar's
3 discount" that will plague the Company's stock in the future due to the Company's and
4 their misrepresentations.

5 **DERIVATIVE ALLEGATIONS**

6 155. Plaintiff brings this action derivatively and for the benefit of Match to redress
7 injuries suffered, and to be suffered, as a result of the Individual Defendants' breaches of
8 their fiduciary duties as directors and/or officers of Match, unjust enrichment, abuse of
9 control, gross mismanagement, waste of corporate assets, violations of Sections 10(b),
10 20(a), and 14(a) of the Exchange Act, as well as for contribution under Sections 10(b) and
11 21D of the Exchange Act.

12 156. Match is named solely as a nominal party in this action. This is not a collusive
13 action to confer jurisdiction on this Court that it would not otherwise have.

14 157. Plaintiff is, and has been at all relevant times, a shareholder of Match. Plaintiff
15 will adequately and fairly represent the interests of Match in enforcing and prosecuting its
16 rights, and, to that end, has retained competent counsel, experienced in derivative litigation,
17 to enforce and prosecute this action.

18 **DEMAND FUTILITY ALLEGATIONS**

19 158. Plaintiff incorporates by reference and realleges each and every allegation
20 stated above as if fully set forth herein.

21 159. A pre-suit demand on the Board is futile and, therefore, excused. When this
22 action was filed, Match's Board consisted of the following eleven individuals: Defendants
23 Kim, Bailey, Brenner, Dubey, Jones, McDaniel, McInerney, Murdoch, Rascoff,
24 Schiffman, Seymon, and Spoon (the "Director-Defendants"). Plaintiff needs only to allege
25 demand futility as to six of the eleven Director-Defendants that were on the Board at the
26 time this action was filed.

27 160. Demand is excused as to all of the Director-Defendants because each one of
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1 them faces, individually and collectively, a substantial likelihood of liability as a result of
2 the scheme they engaged in knowingly or recklessly to make and/or cause the Company to
3 make false and misleading statements and omissions of material fact, while they caused
4 the Company to repurchase its own stock at artificially inflated prices. This renders the
5 Director-Defendants unable to impartially investigate the charges and decide whether to
6 pursue action against themselves and the other perpetrators of the scheme.

7 161. In complete abdication of their fiduciary duties, the Director-Defendants
8 either knowingly or recklessly caused or permitted Match to issue materially false and
9 misleading statements. Specifically, the Director-Defendants caused Match to issue false
10 and misleading statements which were intended to make Match appear more profitable and
11 attractive to investors. Moreover, the Director-Defendants caused the Company to fail to
12 maintain internal controls. As a result of the foregoing, the Director-Defendants breached
13 their fiduciary duties, face a substantial likelihood of liability, are not disinterested, and
14 demand upon them is futile, and thus excused.

15 162. Moreover, Defendants Kim, Bailey, Brenner, Dubey, McDaniel, McInerney,
16 Murdoch, Schiffman, Seymon, and Spoon solicited the 2023 Proxy Statement, which
17 called for a shareholder vote to, *inter alia*, re-elect Defendants Dubey, McDaniel, and
18 McInerney to the Board for a three-year term, allowing them to continue breaching their
19 fiduciary duties to the Company.

20 163. All of the Director-Defendants solicited the 2024 Proxy Statement, which
21 called for a shareholder vote to, *inter alia*, re-elect Defendants Rascoff, Schiffman, and
22 Seymon to the Board for a three-year term, allowing them to continue breaching their
23 fiduciary duties to the Company.

24 164. In addition, the Director-Defendants caused the 2024 Proxy Statement to call
25 for a shareholder vote to approve the 2024 Stock Plan, which made shares available to
26 employees and directors of the Company. The misrepresentations and omissions set forth
27 herein were material to shareholders in voting to approve the 2024 Stock Plan, who would
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1 not have approved the 2024 Stock Plan, had they been informed about the Individual
2 Defendants' misconduct. Before the shareholders approved the 2024 Stock Plan at the
3 annual meeting of stockholders of Match on June 21, 2024, the then-existing plan would
4 have terminated in November 2025. After the shareholders approved the 2024 Stock Plan,
5 6,000,000 additional shares were made available under the plan (plus the remaining shares
6 from the pre-existing plan) and the 2024 Stock Plan was effective for an additional ten
7 years. For this reason, the Individual Defendants, including the Director-Defendants,
8 received material personal benefits they otherwise would not receive but for the issuance
9 of the false and misleading 2024 Proxy Statement and the shareholders approving the 2024
10 Stock Plan pursuant to the 2024 Proxy Statement. As such, the Director-Defendants face a
11 substantial likelihood of liability and demand is futile as to them.

12 165. Additional reasons that demand on Defendant Braunstein is futile follow.
13 Defendant Kim has been the Company's CEO and a director since May 2022. The
14 Company provides Defendant Kim with his principal occupation for which he receives
15 handsome compensation. Thus, as the Company admits, he is a non-independent director.
16 Additionally, Defendant Kim solicited the 2023 Proxy Statement, which contained material
17 misrepresentations and omissions that led to the re-election of Defendants Dubey,
18 McDaniel, and McInerney to the Board for a three-year term, allowing them to continue to
19 breach their fiduciary duty to the Company. Moreover, Defendant Kim solicited the 2024
20 Proxy Statement, which contained material misrepresentations and omissions that led to
21 the re-election of Defendants Rascoff, Schiffman, and Seymon to the Board for a three-
22 year term, allowing them to continue to breach their fiduciary duties to the Company, as
23 well as the approval of the 2024 Stock Plan. As the Company's highest officer, he
24 conducted little, if any, oversight of the scheme to make and/or cause the Company to make
25 false and misleading statements, consciously disregarded his duties to monitor such
26 controls over reporting and engagement in the scheme, and consciously disregarded his
27 duties to protect corporate assets. In addition, during the Relevant Period, he failed to
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1 correct the false and misleading statements alleged herein and personally made many of
2 the false and misleading statements alleged herein. Further, Defendant Kim is a defendant
3 in the Securities Class Action. Moreover, under the 2024 Stock Plan, Defendant Kim is
4 eligible to receive stock awards under the 2024 Stock Plan, and will receive various
5 amounts of stock awards under the 2024 Stock Plan in the future, thereby materially
6 benefiting from the adoption of the 2024 Stock Plan. For these reasons, too, Defendant
7 Kim breached his fiduciary duties, faces a substantial likelihood of liability, is not
8 independent or disinterested, and thus demand upon him is futile and, therefore, excused.

9 166. Additional reasons that demand on Defendant Bailey is futile follow.
10 Defendant Bailey has served as a Company director since June 2020. Defendant Bailey
11 also serves as a member of the Audit Committee, and will take over as CFO of the
12 Company on March 1, 2025. Additionally, Defendant Bailey solicited the 2023 Proxy
13 Statement, which contained material misrepresentations and omissions that led to the re-
14 election of Defendants Dubey, McDaniel, and McInerney to the Board for a three-year
15 term, allowing them to continue to breach their fiduciary duty to the Company. Moreover,
16 Defendant Bailey solicited the 2024 Proxy Statement, which contained material
17 misrepresentations and omissions that led to the re-election of Defendants Rascoff,
18 Schiffman, and Seymon to the Board for a three-year term, allowing them to continue to
19 breach their fiduciary duties to the Company, as well as the approval of the 2024 Stock
20 Plan. As a trusted, long-time director, he conducted little, if any, oversight of the scheme
21 to make and/or cause the Company to make false and misleading statements, consciously
22 disregarded his duties to monitor such controls over reporting and engagement in the
23 scheme, and consciously disregarded his duties to protect corporate assets. Moreover,
24 under the 2024 Stock Plan, Defendant Bailey is eligible to receive stock awards under the
25 2024 Stock Plan, and will receive various amounts of stock awards under the 2024 Stock
26 Plan in the future, thereby materially benefiting from the adoption of the 2024 Stock Plan.
27 For these reasons, too, Defendant Bailey breached his fiduciary duties, faces a substantial
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1 likelihood of liability, is not independent or disinterested, and thus demand upon him is
2 futile and, therefore, excused.

3 167. Additional reasons that demand on Defendant Brenner is futile follow.
4 Defendant Brenner has served as a Company director since June 2020. Defendant Brenner
5 also serves as a member of the Compensation Committee. Additionally, Defendant Brenner
6 solicited the 2023 Proxy Statement, which contained material misrepresentations and
7 omissions that led to the re-election of Defendants Dubey, McDaniel, and McInerney to
8 the Board for a three-year term, allowing them to continue to breach their fiduciary duty to
9 the Company. Moreover, Defendant Brenner solicited the 2024 Proxy Statement, which
10 contained material misrepresentations and omissions that led to the re-election of
11 Defendants Rascoff, Schiffman, and Seymon to the Board for a three-year term, allowing
12 them to continue to breach their fiduciary duties to the Company, as well as the approval
13 of the 2024 Stock Plan. As a trusted, long-time director, she conducted little, if any,
14 oversight of the scheme to make and/or cause the Company to make false and misleading
15 statements, consciously disregarded her duties to monitor such controls over reporting and
16 engagement in the scheme, and consciously disregarded her duties to protect corporate
17 assets. Moreover, under the 2024 Stock Plan, Defendant Brenner is eligible to receive stock
18 awards under the 2024 Stock Plan, and will receive various amounts of stock awards under
19 the 2024 Stock Plan in the future, thereby materially benefiting from the adoption of the
20 2024 Stock Plan. For these reasons, too, Defendant Brenner breached her fiduciary duties,
21 faces a substantial likelihood of liability, is not independent or disinterested, and thus
22 demand upon her is futile and, therefore, excused.

23 168. Additional reasons that demand on Defendant Dubey is futile follow.
24 Defendant Dubey has served as a Company director since September 2019. Additionally,
25 Defendant Dubey solicited the 2023 Proxy Statement, which contained material
26 misrepresentations and omissions that led to the re-election of Defendants McDaniel,
27 McInerney, and herself to the Board for a three-year term, allowing them to continue to
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1 breach their fiduciary duty to the Company. Moreover, Defendant Dubey solicited the 2024
2 Proxy Statement, which contained material misrepresentations and omissions that led to
3 the re-election of Defendants Rascoff, Schiffman, and Seymon to the Board for a three-
4 year term, allowing them to continue to breach their fiduciary duties to the Company, as
5 well as the approval of the 2024 Stock Plan. As a trusted, long-time director, she conducted
6 little, if any, oversight of the scheme to make and/or cause the Company to make false and
7 misleading statements, consciously disregarded her duties to monitor such controls over
8 reporting and engagement in the scheme, and consciously disregarded her duties to protect
9 corporate assets. Moreover, under the 2024 Stock Plan, Defendant Dubey is eligible to
10 receive stock awards under the 2024 Stock Plan, and will receive various amounts of stock
11 awards under the 2024 Stock Plan in the future, thereby materially benefiting from the
12 adoption of the 2024 Stock Plan. For these reasons, too, Defendant Dubey breached her
13 fiduciary duties, faces a substantial likelihood of liability, is not independent or
14 disinterested, and thus demand upon her is futile and, therefore, excused.

15 169. Additional reasons that demand on Defendant Jones is futile follow.
16 Defendant Jones has served as a Company director since March 2024. Moreover,
17 Defendant Jones solicited the 2024 Proxy Statement, which contained material
18 misrepresentations and omissions that led to the re-election of Defendants Rascoff,
19 Schiffman, and Seymon to the Board for a three-year term, allowing them to continue to
20 breach their fiduciary duties to the Company, as well as the approval of the 2024 Stock
21 Plan. As a trusted director, she conducted little, if any, oversight of the scheme to make
22 and/or cause the Company to make false and misleading statements, consciously
23 disregarded her duties to monitor such controls over reporting and engagement in the
24 scheme, and consciously disregarded her duties to protect corporate assets. Moreover,
25 under the 2024 Stock Plan, Defendant Jones is eligible to receive stock awards under the
26 2024 Stock Plan, and will receive various amounts of stock awards under the 2024 Stock
27 Plan in the future, thereby materially benefiting from the adoption of the 2024 Stock Plan.
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1 For these reasons, too, Defendant Jones breached her fiduciary duties, faces a substantial
2 likelihood of liability, is not independent or disinterested, and thus demand upon her is
3 futile and, therefore, excused.

4 170. Additional reasons that demand on Defendant McDaniel is futile follow.
5 Defendant McDaniel has served as a Company director since December 2015. Defendant
6 McDaniel also serves as the Chair of the Compensation Committee and as a member of the
7 Nominating and Corporate Governance Committee. Additionally, Defendant McDaniel
8 solicited the 2023 Proxy Statement, which contained material misrepresentations and
9 omissions that led to the re-election of Defendants Dubey, McInerney, and herself to the
10 Board for a three-year term, allowing them to continue to breach their fiduciary duty to the
11 Company. Moreover, Defendant McDaniel solicited the 2024 Proxy Statement, which
12 contained material misrepresentations and omissions that led to the re-election of
13 Defendants Rascoff, Schiffman, and Seymon to the Board for a three-year term, allowing
14 them to continue to breach their fiduciary duties to the Company, as well as the approval
15 of the 2024 Stock Plan. Furthermore, Defendant McDaniel engaged in lucrative insider
16 trading, reaping personal profits of approximately \$400,255. As a trusted, long-time
17 director, she conducted little, if any, oversight of the scheme to make and/or cause the
18 Company to make false and misleading statements, consciously disregarded her duties to
19 monitor such controls over reporting and engagement in the scheme, and consciously
20 disregarded her duties to protect corporate assets. Moreover, under the 2024 Stock Plan,
21 Defendant McDaniel is eligible to receive stock awards under the 2024 Stock Plan, and
22 will receive various amounts of stock awards under the 2024 Stock Plan in the future,
23 thereby materially benefiting from the adoption of the 2024 Stock Plan. For these reasons,
24 too, Defendant McDaniel breached her fiduciary duties, faces a substantial likelihood of
25 liability, is not independent or disinterested, and thus demand upon her is futile and,
26 therefore, excused.

27 171. Additional reasons that demand on Defendant McInerney is futile follow.
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1 Defendant McInerney has served as the Chairman of the Board since May 2021, and as a
2 Company director since November 2015. Defendant McInerney also serves as the Chair of
3 the Nominating and Governance Committee. Additionally, Defendant McInerney solicited
4 the 2023 Proxy Statement, which contained material misrepresentations and omissions that
5 led to the re-election of Defendants Dubey, McDaniel, and himself to the Board for a three-
6 year term, allowing them to continue to breach their fiduciary duty to the Company.
7 Moreover, Defendant McInerney solicited the 2024 Proxy Statement, which contained
8 material misrepresentations and omissions that led to the re-election of Defendants
9 Rascoff, Schiffman, and Seymon to the Board for a three-year term, allowing them to
10 continue to breach their fiduciary duties to the Company, as well as the approval of the
11 2024 Stock Plan. As the trusted, long-time Chairman of the Board, he conducted little, if
12 any, oversight of the scheme to make and/or cause the Company to make false and
13 misleading statements, consciously disregarded his duties to monitor such controls over
14 reporting and engagement in the scheme, and consciously disregarded his duties to protect
15 corporate assets. Moreover, under the 2024 Stock Plan, Defendant McInerney is eligible to
16 receive stock awards under the 2024 Stock Plan, and will receive various amounts of stock
17 awards under the 2024 Stock Plan in the future, thereby materially benefiting from the
18 adoption of the 2024 Stock Plan. For these reasons, too, Defendant McInerney breached
19 his fiduciary duties, faces a substantial likelihood of liability, is not independent or
20 disinterested, and thus demand upon him is futile and, therefore, excused.

21 172. Additional reasons that demand on Defendant Rascoff is futile follow.
22 Defendant Rascoff has served as a Company director since March 2024. Moreover,
23 Defendant Rascoff solicited the 2024 Proxy Statement, which contained material
24 misrepresentations and omissions that led to the re-election of Defendants Schiffman,
25 Seymon, and himself to the Board for a three-year term, allowing them to continue to
26 breach their fiduciary duties to the Company, as well as the approval of the 2024 Stock
27 Plan. As a trusted director, he conducted little, if any, oversight of the scheme to make
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1 and/or cause the Company to make false and misleading statements, consciously
2 disregarded his duties to monitor such controls over reporting and engagement in the
3 scheme, and consciously disregarded his duties to protect corporate assets. Moreover,
4 under the 2024 Stock Plan, Defendant Rascoff is eligible to receive stock awards under the
5 2024 Stock Plan, and will receive various amounts of stock awards under the 2024 Stock
6 Plan in the future, thereby materially benefiting from the adoption of the 2024 Stock Plan.
7 For these reasons, too, Defendant Rascoff breached his fiduciary duties, faces a substantial
8 likelihood of liability, is not independent or disinterested, and thus demand upon him is
9 futile and, therefore, excused.

10 173. Additional reasons that demand on Defendant Schiffman is futile follow.
11 Defendant Schiffman has served as a Company director since September 2016. Defendant
12 Schiffman also serves as a member of the Audit Committee. Additionally, Defendant
13 Schiffman solicited the 2023 Proxy Statement, which contained material
14 misrepresentations and omissions that led to the re-election of Defendants Dubey,
15 McDaniel, and McInerney to the Board for a three-year term, allowing them to continue to
16 breach their fiduciary duty to the Company. Moreover, Defendant Schiffman solicited the
17 2024 Proxy Statement, which contained material misrepresentations and omissions that led
18 to the re-election of Defendants Rascoff, Seymon, and himself to the Board for a three-
19 year term, allowing them to continue to breach their fiduciary duties to the Company, as
20 well as the approval of the 2024 Stock Plan. As a trusted, long-time director, he conducted
21 little, if any, oversight of the scheme to make and/or cause the Company to make false and
22 misleading statements, consciously disregarded his duties to monitor such controls over
23 reporting and engagement in the scheme, and consciously disregarded his duties to protect
24 corporate assets. Moreover, under the 2024 Stock Plan, Defendant Schiffman is eligible to
25 receive stock awards under the 2024 Stock Plan, and will receive various amounts of stock
26 awards under the 2024 Stock Plan in the future, thereby materially benefiting from the
27 adoption of the 2024 Stock Plan. For these reasons, too, Defendant Schiffman breached his
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1 fiduciary duties, faces a substantial likelihood of liability, is not independent or
2 disinterested, and thus demand upon him is futile and, therefore, excused.

3 174. Additional reasons that demand on Defendant Seymon is futile follow.
4 Defendant Seymon has served as a Company director since November 2015. Defendant
5 Seymon also serves as a member of the Compensation Committee. Additionally, Defendant
6 Seymon solicited the 2023 Proxy Statement, which contained material misrepresentations
7 and omissions that led to the re-election of Defendants Dubey, McDaniel, and McInerney
8 to the Board for a three-year term, allowing them to continue to breach their fiduciary duty
9 to the Company. Moreover, Defendant Seymon solicited the 2024 Proxy Statement, which
10 contained material misrepresentations and omissions that led to the re-election of
11 Defendants Rascoff, Schiffman, and herself to the Board for a three-year term, allowing
12 them to continue to breach their fiduciary duties to the Company, as well as the approval
13 of the 2024 Stock Plan. As a trusted, long-time director, she conducted little, if any,
14 oversight of the scheme to make and/or cause the Company to make false and misleading
15 statements, consciously disregarded her duties to monitor such controls over reporting and
16 engagement in the scheme, and consciously disregarded her duties to protect corporate
17 assets. Moreover, under the 2024 Stock Plan, Defendant Seymon is eligible to receive stock
18 awards under the 2024 Stock Plan, and will receive various amounts of stock awards under
19 the 2024 Stock Plan in the future, thereby materially benefiting from the adoption of the
20 2024 Stock Plan. For these reasons, too, Defendant Seymon breached her fiduciary duties,
21 faces a substantial likelihood of liability, is not independent or disinterested, and thus
22 demand upon her is futile and, therefore, excused.

23 175. Additional reasons that demand on Defendant Spoon is futile follow.
24 Defendant Spoon has served as a Company director since November 2015. Defendant
25 Spoon also serves as the Chair of the Audit Committee and as a member of the Nominating
26 and Corporate Governance Committee. Additionally, Defendant Spoon solicited the 2023
27 Proxy Statement, which contained material misrepresentations and omissions that led to
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1 the re-election of Defendants Dubey, McDaniel, and McInerney to the Board for a three-
2 year term, allowing them to continue to breach their fiduciary duty to the Company.
3 Moreover, Defendant Spoon solicited the 2024 Proxy Statement, which contained material
4 misrepresentations and omissions that led to the re-election of Defendants Rascoff,
5 Schiffman, and Seymon to the Board for a three-year term, allowing them to continue to
6 breach their fiduciary duties to the Company, as well as the approval of the 2024 Stock
7 Plan. As a trusted, long-time director, he conducted little, if any, oversight of the scheme
8 to make and/or cause the Company to make false and misleading statements, consciously
9 disregarded his duties to monitor such controls over reporting and engagement in the
10 scheme, and consciously disregarded his duties to protect corporate assets. Moreover,
11 under the 2024 Stock Plan, Defendant Spoon is eligible to receive stock awards under the
12 2024 Stock Plan, and will receive various amounts of stock awards under the 2024 Stock
13 Plan in the future, thereby materially benefiting from the adoption of the 2024 Stock Plan.
14 For these reasons, too, Defendant Spoon breached his fiduciary duties, faces a substantial
15 likelihood of liability, is not independent or disinterested, and thus demand upon him is
16 futile and, therefore, excused.

17 176. Additional reasons that demand on the Board is futile follow.

18 177. Defendants Spoon (as Chair), Bailey, and Schiffman served as members of
19 the Audit Committee at all relevant times (collectively, the “Audit Committee
20 Defendants”). As such, they were responsible for the effectiveness of the Company’s
21 internal controls, the truth and accuracy of the Company’s financial statements, and the
22 Company’s compliance with applicable laws and regulations. During the Relevant Period,
23 they violated the Audit Committee Charter by engaging in or permitting the Company to
24 engage in the dissemination of materially false and misleading statements to the public and
25 to facilitate the Individual Defendants’ violations of law, including breaches of fiduciary
26 duty and violations of the Exchange Act; failed to adequately exercise their risk
27 management and risk assessment functions; and failed to ensure adequate Board oversight
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1 of the Company's internal control over financial reporting, disclosure controls and
2 procedures, and the Code of Conduct. Thus, the Audit Committee Defendants breached
3 their fiduciary duties, are not independent or disinterested, and thus demand is excused as
4 to them.

5 178. In violation of the Code of Conduct, the Director-Defendants conducted little,
6 if any, oversight of the Company's engagement in the Individual Defendants' scheme to
7 issue materially false and misleading statements to the public and to facilitate and disguise
8 the Individual Defendants' violations of law, including breaches of fiduciary duty, unjust
9 enrichment, abuse of control, gross mismanagement, waste of corporate assets, and
10 violations of the Exchange Act. In further violation of the Code of Conduct, the Director-
11 Defendants failed to comply with laws and regulations, maintain the accuracy of Company
12 records and reports, avoid conflicts of interest, conduct business in an honest and ethical
13 manner, and properly report violations of the Code of Conduct. Thus, the Director-
14 Defendants face a substantial likelihood of liability and demand is futile as to them.

15 179. Match has been and will continue to be exposed to significant losses due to
16 the wrongdoing complained of herein, yet the Directors have not filed any lawsuits against
17 themselves or any others who were responsible for that wrongful conduct to attempt to
18 recover for Match any part of the damages Match suffered and will continue to suffer
19 thereby. Thus, any demand upon the Directors would be futile.

20 180. The Director-Defendants' conduct described herein and summarized above
21 could not have been the product of legitimate business judgment as it was based on bad
22 faith and intentional, reckless, or disloyal misconduct. Thus, none of the Director-
23 Defendants can claim exculpation from their violations of duty pursuant to the Company's
24 charter (to the extent such a provision exists). As a majority of the Director-Defendants
25 face a substantial likelihood of liability, they are self-interested in the transactions
26 challenged herein and cannot be presumed to be capable of exercising independent and
27 disinterested judgment about whether to pursue this action on behalf of the shareholders of
28

1 the Company. Accordingly, demand is excused as being futile.

2 181. The acts complained of herein constitute violations of fiduciary duties owed
3 by Match's officers and directors, and these acts are incapable of ratification.

4 182. The Director-Defendants may also be protected against personal liability for
5 their acts of mismanagement and breaches of fiduciary duty alleged herein by directors'
6 and officers' liability insurance if they caused the Company to purchase it for their
7 protection with corporate funds, i.e., monies belonging to the stockholders of Match. If
8 there is a directors' and officers' liability insurance policy covering the Director-
9 Defendants, it may contain provisions that eliminate coverage for any action brought
10 directly by the Company against the Director-Defendants, known as, *inter alia*, the
11 "insured-versus-insured exclusion." As a result, if the Director-Defendants were to sue
12 themselves or certain of the officers of Match, there would be no directors' and officers'
13 insurance protection. Accordingly, the Director-Defendants cannot be expected to bring
14 such a suit. On the other hand, if the suit is brought derivatively, as this action is brought,
15 such insurance coverage, if such an insurance policy exists, will provide a basis for the
16 Company to effectuate a recovery. Thus, demand on the Director-Defendants is futile and,
17 therefore, excused.

18 183. If there is no directors' and officers' liability insurance, then the Director-
19 Defendants will not cause Match to sue the Individual Defendants named herein, since, if
20 they did, they would face a large uninsured individual liability. Accordingly, demand is
21 futile in that event, as well.

22 184. Thus, for all of the reasons set forth above, all of the Director-Defendants,
23 and, if not all of them, at least six of the Director-Defendants, cannot consider a demand
24 with disinterestedness and independence. Consequently, a demand upon the Board is
25 excused as futile.

26 **FIRST CLAIM**

27 **Against the Individual Defendants for Violations of Section 14(a) of the Exchange**
28 **Act**

1 185. Plaintiff incorporates by reference and realleges each and every allegation set
2 forth above, as though fully set forth herein.

3 186. Section 14(a) of the Exchange Act, 15 U.S.C. § 78n(a)(1), provides that “[i]t
4 shall be unlawful for any person, by use of the mails or by any means or instrumentality of
5 interstate commerce or of any facility of a national securities exchange or otherwise, in
6 contravention of such rules and regulations as the [SEC] may prescribe as necessary or
7 appropriate in the public interest or for the protection of investors, to solicit or to permit
8 the use of his name to solicit any proxy or consent or authorization in respect of any security
9 (other than an exempted security) registered pursuant to section 12 of this title [15 U.S.C.
10 § 78l].”

11 187. Rule 14a-9, promulgated pursuant to § 14(a) of the Exchange Act, provides
12 that no proxy statement shall contain “any statement which, at the time and in the light of
13 the circumstances under which it is made, is false or misleading with respect to any material
14 fact, or which omits to state any material fact necessary in order to make the statements
15 therein not false or misleading.” 17 C.F.R. § 240.14a-9.

16 188. Under the direction and watch of Defendants Kim, Bailey, Brenner, Dubey,
17 McDaniel, McInerney, Murdoch, Schiffman, Seymon, and Spoon, the 2023 Proxy
18 Statement failed to disclose, *inter alia*, that: (1) though the Company claimed its officers
19 and directors were adhering to the Code of Conduct, the Individual Defendants violated
20 these policies either without waivers or without such waivers being disclosed; and (2)
21 contrary to the 2023 Proxy Statement’s descriptions of the Board’s and its committees’ risk
22 oversight functions, the Board and its committees were not adequately exercising these
23 functions and were causing or permitting the Company to issue false and misleading
24 statements.

25 189. The 2023 Proxy Statement also failed to disclose that: (1) the Company was
26 facing greater challenges in generating user growth for Tinder than was otherwise being
27 represented; (2) because of this, there was a significant risk that Tinder’s MAU would be
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1 unable to recover by the time the Company had to report its financial results for the third
2 quarter of the 2024 Fiscal Year; and (3) Tinder was facing additional issues regarding its
3 average revenue per user. As a result of the foregoing, the Company's public statements
4 were materially false and misleading and/or lacked a reasonable basis at all relevant times.

5 190. In the exercise of reasonable care, Defendants Kim, Bailey, Brenner, Dubey,
6 McDaniel, McInerney, Murdoch, Schiffman, Seymon, and Spoon should have known that
7 by misrepresenting or failing to disclose the foregoing material facts, the statements
8 contained in the 2023 Proxy Statement were materially false and misleading. The
9 misrepresentations and omissions were material to Plaintiff in voting on the matters set
10 forth for shareholder determination in the 2023 Proxy Statement, including but not limited
11 to, the reelection of Defendants Dubey, McDaniel, and McInerney to the Board.

12 191. As a result of the material misstatements and omissions contained in the 2023
13 Proxy Statement, Company shareholders voted, *inter alia*, to reelect Dubey, McDaniel, and
14 McInerney to the Board for a three-year term, thereby allowing them to continue breaching
15 their fiduciary duties to the Company.

16 192. The Company was damaged as a result of the Defendants Kim, Bailey,
17 Brenner, Dubey, McDaniel, McInerney, Murdoch, Schiffman, Seymon, and Spoon's
18 material misrepresentations and omissions in the 2023 Proxy Statement.

19 193. Under the direction and watch of Defendants Kim, Bailey, Brenner, Dubey,
20 Jones, McDaniel, McInerney, Murdoch, Rascoff, Schiffman, Seymon, and Spoon, the 2024
21 Proxy Statement failed to disclose, *inter alia*, that: (1) though the Company claimed its
22 officers and directors were adhering to the Code of Conduct, the Individual Defendants
23 violated these policies either without waivers or without such waivers being disclosed; and
24 (2) contrary to the 2024 Proxy Statement's descriptions of the Board's and its committees'
25 risk oversight functions, the Board and its committees were not adequately exercising these
26 functions and were causing or permitting the Company to issue false and misleading
27 statements.
28

194. The 2024 Proxy Statement also failed to disclose that: (1) the Company was facing greater challenges in generating user growth for Tinder than was otherwise being represented; (2) because of this, there was a significant risk that Tinder's MAU would be unable to recover by the time the Company had to report its financial results for the third quarter of the 2024 Fiscal Year; (3) Tinder was facing additional issues regarding its average revenue per user; and (4) the Individual Defendants were improperly interested in increasing their future compensation by seeking shareholder approval of the 2024 Stock Plan. As a result of the foregoing, the Company's public statements were materially false and misleading and/or lacked a reasonable basis at all relevant times.

195. In the exercise of reasonable care, Defendants Kim, Bailey, Brenner, Dubey, Jones, McDaniel, McInerney, Murdoch, Rascoff, Schiffman, Seymon, and Spoon should have known that by misrepresenting or failing to disclose the foregoing material facts, the statements contained in the 2024 Proxy Statement were materially false and misleading. The misrepresentations and omissions were material to Plaintiff in voting on the matters set forth for shareholder determination in the 2024 Proxy Statement, including but not limited to, the reelection of Defendants Rascoff, Schiffman, and Seymon to the Board, and the approval of the 2024 Stock Plan.

196. As a result of the material misstatements and omissions contained in the 2024 Proxy Statement, Company shareholders voted, *inter alia*, to reelect Defendants Rascoff, Schiffman, and Seymon to the Board for a three-year term, thereby allowing them to continue breaching their fiduciary duties to the Company, and to approve the 2024 Stock Plan.

197. The Company was damaged as a result of the Defendants Kim, Bailey, Brenner, Dubey, Jones, McDaniel, McInerney, Murdoch, Rascoff, Schiffman, Seymon, and Spoon's material misrepresentations and omissions in the 2024 Proxy Statement.

198. Plaintiff, on behalf of Match, has no adequate remedy at law.

SECOND CLAIM

Against the Individual Defendants for Violations of Section 10(b) and Rule 10b-5 of the Exchange Act

199. Plaintiff incorporates by reference and re-alleges each and every allegation set forth above, as though fully set forth herein.

200. The Individual Defendants participated in a scheme to defraud with the purpose and effect of defrauding Match. Not only is Match now defending claims that it violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder, but the Company itself is also one of the largest victims of the unlawful scheme perpetrated upon Match by the Individual Defendants. With the price of its common stock trading at artificially inflated prices due to the Individual Defendants' misconduct, the Individual Defendants caused the Company to repurchase **18,739.201** of its own shares at artificially inflated prices, damaging Match.

201. During the Relevant Period, the Individual Defendants also individually and in concert, directly and indirectly, by the use and means of instrumentalities of interstate commerce and/or of the mails, engaged and participated in a continuous course of conduct designed to falsify the Company's press releases, public statements made in earnings calls, and periodic and current reports filed with the SEC.

202. The Individual Defendants employed devices, schemes, and artifices to defraud while in the possession of adverse, material, non-public information and engaged in acts, practices and a course of conduct that included the making of, or participation in the making of, untrue and/or misleading statements of material facts and/or omitting to state material facts necessary in order to make the statements made about Match not misleading.

203. The Individual Defendants as top executives acted with scienter during the Relevant Period, in that they either had actual knowledge of the scheme and the misrepresentations and/or omissions of material facts set forth herein or acted with reckless disregard for the truth in that they failed to ascertain and to disclose the true facts, even though such facts were available to them. The Individual Defendants were the top

1 executives of the Company, or received direct briefings from them, and were therefore
2 directly responsible for the scheme set forth herein and for the false and misleading
3 statements and/or omissions disseminated to the public through filings with the SEC.

4 204. By virtue of the foregoing, the Individual Defendants have violated §10(b) of
5 the Exchange Act, and Rule 10b-5 promulgated thereunder.

6 **THIRD CLAIM**

7 **Against the Individual Defendants for Violations of Section 20(a) of the** 8 **Exchange Act**

9 205. Plaintiff incorporates by reference and re-alleges each and every allegation set
10 forth above, as though fully set forth herein.

11 206. The Individual Defendants, by virtue of their positions with Match and their
12 specific acts, were, at the time of the wrongs alleged herein, controlling persons of Match
13 and each of its officers and directors who made the false and misleading statements alleged
14 herein within the meaning of §20(a) of the Exchange Act. The Individual Defendants had
15 the power and influence and exercised the same to cause Match to engage in the illegal
16 conduct and practices complained of herein.

17 207. Plaintiff, on behalf of Match, has no adequate remedy at law.

18 **FOURTH CLAIM**

19 **Against the Individual Defendants for Breach of Fiduciary Duties**

20 208. Plaintiff incorporates by reference and realleges each and every allegation set
21 forth above, as though fully set forth herein.

22 209. Each Individual Defendant owed to the Company the duty to exercise candor,
23 good faith, and loyalty in the management and administration of Match's business and
24 affairs.

25 210. Each of the Individual Defendants violated and breached their fiduciary duties
26 of candor, good faith, loyalty, reasonable inquiry, oversight, and supervision.

27 211. The Individual Defendants' conduct set forth herein was due to their
28 intentional or reckless breach of the fiduciary duties they owed to the Company, as alleged

1 herein. The Individual Defendants intentionally or recklessly breached or disregarded their
2 fiduciary duties to protect the rights and interests of Match.

3 212. In breach of their fiduciary duties owed to Match, the Individual Defendants
4 willfully or recklessly made and/or caused the Company to make false and misleading
5 statements and/or omissions of material fact that failed to disclose, *inter alia*, that: (1) the
6 Company was facing greater challenges in generating user growth for Tinder than was
7 otherwise being represented; (2) because of this, there was a significant risk that Tinder's
8 MAU would be unable to recover by the time the Company had to report its financial results
9 for the third quarter of the 2024 Fiscal Year; (3) Tinder was facing additional issues
10 regarding its average revenue per user; and (4) the Individual Defendants were improperly
11 interested in increasing their future compensation by seeking shareholder approval of the
12 2024 Stock Plan. As a result of the foregoing, the Company's public statements were
13 materially false and misleading and/or lacked a reasonable basis at all relevant times.

14 213. In further breach of their fiduciary duties, the Individual Defendants failed to
15 correct and/or caused the Company to fail to correct the false and misleading statements
16 and/or omissions of material fact referenced herein, which renders them personally liable
17 to the Company for breaching their fiduciary duties.

18 214. Also, in breach of their fiduciary duties, the Individual Defendants caused the
19 Company to fail to maintain internal controls.

20 215. In yet further breach of their fiduciary duties, during the Relevant Period, the
21 Individual Defendants willfully or recklessly caused the Company to repurchase millions
22 of shares of its own common stock at artificially inflated prices before the fraud was
23 exposed, while one of the Individual Defendants engaged in lucrative insider sales, netting
24 proceeds of approximately \$400,255.

25 216. The Individual Defendants had actual or constructive knowledge that the
26 Company issued materially false and misleading statements, and they failed to correct the
27 Company's public statements and representations. The Individual Defendants had actual
28

1 knowledge of the misrepresentations and omissions of material facts set forth herein, or
2 acted with reckless disregard for the truth, in that they failed to ascertain and to disclose
3 such facts, even though such facts were available to them. Such material misrepresentations
4 and omissions were committed knowingly or recklessly and for the purpose and effect of
5 artificially inflating the price of Match's securities.

6 217. The Individual Defendants had actual or constructive knowledge that they had
7 caused the Company to improperly engage in the fraudulent scheme set forth herein and to
8 fail to maintain internal controls. The Individual Defendants had actual knowledge that the
9 Company was engaging in the fraudulent scheme set forth herein, and that internal controls
10 were not adequately maintained, or acted with reckless disregard for the truth, in that they
11 caused the Company to improperly engage in the fraudulent scheme and to fail to maintain
12 adequate internal controls, even though such facts were available to them. Such improper
13 conduct was committed knowingly or recklessly and for the purpose and effect of
14 artificially inflating the price of Match's securities. The Individual Defendants, in good
15 faith, should have taken appropriate action to correct the scheme alleged herein and to
16 prevent it from continuing to occur.

17 218. These actions were not a good-faith exercise of prudent business judgment to
18 protect and promote the Company's corporate interests.

19 219. As a direct and proximate result of the Individual Defendants' breaches of
20 their fiduciary obligations, Match has sustained and continues to sustain significant
21 damages. As a result of the misconduct alleged herein, the Individual Defendants are liable
22 to the Company.

23 220. Plaintiff, on behalf of Match, has no adequate remedy at law.

24 **FIFTH CLAIM**

25 **Against the Individual Defendants for Unjust Enrichment**

26 221. Plaintiff incorporates by reference and realleges each and every allegation set
27 forth above, as though fully set forth herein.
28

1 222. By their wrongful acts, violations of law, and false and misleading statements
2 and omissions of material fact that they made and/or caused to be made, the Individual
3 Defendants were unjustly enriched at the expense of, and to the detriment of, Match.

4 223. The Individual Defendants either benefitted financially from the improper
5 conduct, or received bonuses, stock options, or similar compensation from Match that was
6 tied to the performance or artificially inflated valuation of Match, or received compensation
7 or other payments that were unjust in light of the Individual Defendants' bad faith conduct.
8 This includes lavish compensation, benefits, and other payments provided to the Individual
9 Defendants who breached their fiduciary duties to the Company.

10 224. Plaintiff, as a shareholder and a representative of Match, seeks restitution from
11 the Individual Defendants and seeks an order from this Court disgorging all profits,
12 including from insider transactions, the redemption of preferred stock, benefits, and other
13 compensation, including any performance-based or valuation-based compensation,
14 obtained by the Individual Defendants due to their wrongful conduct and breach of their
15 fiduciary and contractual duties.

16 225. Plaintiff, on behalf of Match, has no adequate remedy at law.

17 **SIXTH CLAIM**

18 **Against the Individual Defendants for Abuse of Control**

19 226. Plaintiff incorporates by reference and realleges each and every allegation set
20 forth above, as though fully set forth herein.

21 227. The Individual Defendants' misconduct alleged herein constituted an abuse of
22 their ability to control and influence Match, for which they are legally responsible.

23 228. As a direct and proximate result of the Individual Defendants' abuse of
24 control, Match has sustained significant damages. As a result of the misconduct alleged
25 herein, the Individual Defendants are liable to the Company.

26 229. Plaintiff, on behalf of Match, has no adequate remedy at law.

27 **SEVENTH CLAIM**

28 **Against the Individual Defendants for Gross Mismanagement**

230. Plaintiff incorporates by reference and realleges each and every allegation set forth above, as though fully set forth herein.

231. By their actions alleged herein, the Individual Defendants, either directly or through aiding and abetting, abandoned and abdicated their responsibilities and fiduciary duties with regard to prudently managing the assets and business of Match in a manner consistent with the operations of a publicly held corporation.

232. As a direct and proximate result of the Individual Defendants' gross mismanagement and breaches of duty alleged herein, Match has sustained and will continue to sustain significant damages.

233. As a result of the misconduct and breaches of duty alleged herein, the Individual Defendants are liable to the Company.

234. Plaintiff, on behalf of Match, has no adequate remedy at law.

EIGHTH CLAIM

Against Individual Defendants for Waste of Corporate Assets

235. Plaintiff incorporates by reference and re-alleges each and every allegation set forth above, as though fully set forth herein.

236. The Individual Defendants caused the Company to pay the Individual Defendants excessive salaries and fees, to the detriment of the shareholders and the Company.

237. As a result of the foregoing, and by failing to properly consider the interests of the Company and its public shareholders, the Individual Defendants have caused Match to waste valuable corporate assets, to incur many millions of dollars of legal liability and/or costs to defend unlawful actions, to engage in internal investigations, and to lose financing from investors and business from future customers who no longer trust the Company and its products.

238. In addition, the Individual Defendants caused the Company to repurchase shares of its own common stock at artificially inflated prices, thereby wasting the

1 Company's assets.

2 239. As a result of the waste of corporate assets, the Individual Defendants are each
3 liable to the Company.

4 240. Plaintiff, on behalf of Match, has no adequate remedy at law.

5 **NINTH CLAIM**

6 **Against Defendants Kim and Swidler for Contribution Under Sections 10(b) and**
7 **21D of the Exchange Act**

8 241. Plaintiff incorporates by reference and realleges each and every allegation set
9 forth above, as though fully set forth herein.

10 242. Match, Defendant Kim, and Defendant Swidler are named as defendants in
11 the Securities Class Action, which asserts claims under the federal securities laws for
12 violations of Sections 10(b) and 20(a) of the Exchange Act, and SEC Rule 10b-5
13 promulgated thereunder. If and when the Company is found liable in the Securities Class
14 Action for these violations of the federal securities laws, the Company's liability will be in
15 whole or in part due to Defendant Kim's and Defendant Swidler's willful and/or reckless
16 violations of their obligations as officers and/or directors of Match.

17 243. Defendants Kim and Swidler, because of their positions of control and
18 authority as CEO and President/CFO of Match, respectively, were able to and did, directly
19 and/or indirectly, exercise control over the business and corporate affairs of Match,
20 including the wrongful acts complained of herein and in the Securities Class Action.

21 244. Accordingly, Defendants Kim and Swidler are liable under 15 U.S.C.
22 § 78j(b), which creates a private right of action for contribution, and Section 21D of the
23 Exchange Act, 15 U.S.C. § 78u-4(f), which governs the application of a private right of
24 action for contribution arising out of violations of the Exchange Act.

25 245. As such, Match is entitled to receive all appropriate contribution or
26 indemnification from Defendants Kim and Swidler.

27 **PRAYER FOR RELIEF**

28 FOR THESE REASONS, Plaintiff demands judgment in the Company's favor

1 against all Individual Defendants as follows:

2 (a) Declaring that Plaintiff may maintain this action on behalf of Match,
3 and that Plaintiff is an adequate representative of the Company;

4 (b) Declaring that the Individual Defendants have breached and/or aided
5 and abetted the breach of their fiduciary duties to Match;

6 (c) Determining and awarding to Match the damages sustained by it as a
7 result of the violations set forth above from each of the Individual Defendants, jointly and
8 severally, together with pre-judgment and post-judgment interest thereon;

9 (d) Directing Match and the Individual Defendants to take all necessary
10 actions to reform and improve Match's corporate governance and internal procedures to
11 comply with applicable laws and to protect Match and its shareholders from a repeat of the
12 damaging events described herein, including, but not limited to, putting forward for
13 shareholder vote the following resolutions for amendments to the Company's Bylaws
14 and/or Certificate of Incorporation and the following actions as may be necessary to ensure
15 proper corporate governance policies:

16 1. a proposal to strengthen the Board's supervision of operations and
17 develop and implement procedures for greater shareholder input into the policies
18 and guidelines of the board;

19 2. a provision to permit the shareholders of Match to nominate at least six
20 candidates for election to the Board;

21 3. a proposal to ensure the establishment of effective oversight of
22 compliance with applicable laws, rules, and regulations;

23 (e) Awarding Match restitution from Individual Defendants, and each of
24 them;

25 (f) Awarding Plaintiff the costs and disbursements of this action, including
26 reasonable attorneys' and experts' fees, costs, and expenses; and

27 (g) Granting such other and further relief as the Court may deem just and
28

proper.

JURY TRIAL DEMANDED

Plaintiff hereby demands a trial by jury.

Dated: December 20, 2024

Respectfully submitted,

THE BROWN LAW FIRM, P.C.

/s/Robert C. Moest

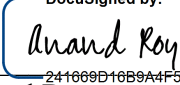
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Counsel for Plaintiff

VERIFICATION

I, Anand Roy, am a plaintiff in the within action. I have reviewed the allegations made in this Shareholder Derivative Complaint, know the contents thereof, and authorize its filing. To those allegations of which I have personal knowledge, I believe those allegations to be true. As to those allegations of which I do not have personal knowledge, I rely upon my counsel and their investigation and believe them to be true.

19 I declare under penalty of perjury that the foregoing is true and correct. Executed this
__ day of December, 2024.

DocuSigned by:

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Anand Roy